

MINUTES
HOUSE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Wednesday, February 23, 2022

TIME: 2:30 P.M.

PLACE: Room EW05

MEMBERS: Chairman Holtzclaw, Vice Chairman Syme, Representatives Harris, Kingsley, Christensen, Wisniewski, Horman, Hanks, Weber, McCann, Chew, Necochea, Toone

**ABSENT/
EXCUSED:** Representative(s) Harris

GUESTS: The sign-in sheet will be retained in the committee secretary's office; following the end of the session the sign-in sheet will be filed with the minutes in the legislative Library.

Chairman Holtzclaw called the meeting to order at 2:45pm.

MOTION: **Rep. Necochea** made a motion to approve the minutes of February 15 and February 17, 2022. **Motion carried by voice vote.**

H 590: **Rep. Skaug** declared Rule 80 before explaining **H 590** which would allow the interested parties to settle agreements without the approval of the Idaho Industrial Commission. As it currently stands, the Industrial Commission must approve every settlement and can choose to reject them if they deem it not in the best interest of all parties. This unnecessarily delays payments to individuals and hospitals. This legislation would still require the Commission's approval in cases involving children, legally incompetent persons, and those not represented by an attorney.

Rep. Ruchti explained they had been unable to reach a consensus with the Industrial Commission but the delays caused by requiring the Commission's approval are harmful and unnecessary when all parties have already agreed to the best solution.

Andrew and Stephanie Mickelsen, Mickelsen Farms, **Chyla Wilson**, Idaho Farm Bureau Federation, and **Matt Andrew, Michael McBride, James Arnold, Michael McPeek**, and **Andy Adams**, attorneys working in workers' compensation, all testified **in support** of **H 590**. They said the current process creates long delays that leave injured workers without compensation during critical periods. Furthermore, the Commission's approval is not needed because the attorneys are responsible for ensuring their clients' best interests. If they fail in this or in adequately sorting out matters of subrogation, then they as attorneys are liable. It is unnecessary to have a government organization mediate private agreements.

In response to questions about the average time to receive approval from the Commission, **Mr. Andrew** said it takes two to six weeks on average but they have seen an increase in the number of cases that take months.

Joe Maloney, President of the American Federation of Labor and Congress of Industrial Organizations, testified **in opposition** to **H 590**, saying this legislation is too drastic and they wished to support the Idaho Industrial Commission.

Chairman Holtzclaw put the committee at ease at 3:40pm.

Chairman Holtzclaw called the committee back to order at 3:41pm.

MOTION: **Rep. Christensen** made a motion to send **H 590** to the floor with a **DO PASS** recommendation.

SUBSTITUTE MOTION: Rep. Chew made a substitute motion to **HOLD H 590** in committee.

ROLL CALL ON SUBSTITUTE MOTION: Roll call vote was requested on **H 590**. **Substitute motion failed by a vote of 3 AYE, 9 NAY, and 1 Absent/Excused**. Voting in favor of the motion: **Reps. Syme, Chew, and Necochea**. Voting in opposition to the motion: **Reps. Kingsley, Christensen, Wisniewski, Horman, Hanks, Weber, McCann, Toone, and Holtzclaw**. Rep. Harris was absent/excused.

ROLL CALL ON ORIGINAL MOTION: Roll call vote was requested. **Motion carried by a vote of 8 AYE, 4 NAY, and 1 Absent/Excused**. Voting in favor of the motion: **Reps. Kingsley, Christensen, Wisniewski, Horman, Hanks, Weber, Toone, and Holtzclaw**. Voting in opposition to the motion: **Reps. Syme, McCann, Chew, and Necochea**. Rep. Harris was absent/excused. Rep. Skaug will sponsor the bill on the floor.

H 670: Rep. Skaug explained **H 670** which would give the legislature approval power over the acceptance of federal unemployment benefits with certain exceptions.

In response to questions about whether the acceptance of benefits would require the legislature to be in session, **Rep. Skaug** said the governor would be allowed to accept the benefits but that this decision would be able to be reviewed by the legislature when they return to session.

Chairman Holtzclaw put the committee at ease at 4:08pm.

Chairman Holtzclaw called the meeting to order at 4:11pm

After concerns were raised about whether the governor would be allowed to issue special or standing orders in these situations and the effect this legislation would have on the Department of Labor, **Rep. Skaug** requested that the committee hold **H 670** in committee.

MOTION: Rep. McCann made a motion to **HOLD H 670** in committee. **Motion carried by voice vote**.

H 667: Rep. Mitchell introduced **H 667** which would protect the unemployment system by giving guidance to the Department of Labor on how to verify unemployment claims. Most of these actions are already being taken, this would simply codify it for the future. Additionally, this would require a report to be given to the germane committee on what has happened throughout the year.

In response to questions about the legislation's origin, **Rep. Mitchell** said this legislation exists because of the number fraudulent claims, but it would also create trust and ensure that the unemployment system continues to run smoothly.

In response to questions about how this would affect the Department of Labor, **Jani Revier**, Director of the Department of Labor, said the Department takes fraud seriously and has many checks in place to prevent it from happening. Most of the actions required by this legislation are already being completed, however, it could negatively affect the Department's flexibility in dealing with individual situations, their right to waive overpayments, and their ability to remain in conformity with federal requirements. Additionally, this legislation could act as a blueprint of the Department's practices which people could use to create more elaborate fraud schemes.

MOTION: Rep. Horman made a motion to send **H 667** to the floor with a **DO PASS** recommendation.

SUBSTITUTE MOTION: Rep. Syme made a substitute motion to **HOLD H 667** in committee.

Rep. Toone expressed reservations about passing **H 667** until it has been fully vetted by the Department of Labor.

**ROLL CALL
VOTE ON
SUBSTITUTE
MOTION:**

Rep. Hanks requested a roll call vote on **H 667. Substitute motion failed by a vote of 5 AYE, 7 NAY, and 1 Absent/Excused. Voting in favor** of the motion: **Reps. Syme, Chew, Necochea, Toone, and Holtzclaw. Voting in opposition** to the motion: **Reps. Kingsley, Christensen, Wisniewski, Horman, Hanks, Weber, and McCann. Rep. Harris** was absent/excused.

**ROLL CALL
VOTE ON
ORIGINAL
MOTION:**

Roll call vote was requested. **Motion carried by a vote of 8 AYE, 4 NAY, and 1 Absent/Excused. Voting in favor** of the motion: **Reps. Kingsley, Christensen, Wisniewski, Horman, Hanks, Weber, McCann, and Holtzclaw. Voting in opposition** to the motion: **Reps. Syme, Chew, Necochea, and Toone. Rep. Harris** was absent/excused. **Rep. Mitchell** will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 4:42pm.

Representative Holtzclaw
Chair

Emily Huddleston
Secretary