

MINUTES  
**SENATE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, March 02, 2022

**TIME:** 8:00 A.M.

**PLACE:** Room WW55

**MEMBERS PRESENT:** Chairwoman Lodge, Vice Chairman Guthrie, Senators Winder, Anthon, Harris, Lee, Heider, Stennett, and Burgoyne

**ABSENT/ EXCUSED:** None

**NOTE:** The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

**CONVENED:** **Chairwoman Lodge** called the meeting of the Senate State Affairs Committee (Committee) to order at 8:03 a.m.

**Chairwoman Lodge** announced that the agenda would be reordered.

**HCR 31** **STATING FINDINGS OF THE LEGISLATURE RECOGNIZING THE IDAHO FALLS BANDITS** - States findings of the Legislature and recognizes the accomplishment of the Idaho Falls Bandits baseball team.

**Representative Ehardt**, District 33, presented the resolution to recognize the Idaho Falls Bandits baseball team, winners of the American Legion World Series. She described the team's accomplishments and thanked the Committee for acknowledging the team.

**MOTION:** **Senator Harris** moved to send **HCR 31** to the floor with a **do pass** recommendation. **Senator Stennett** seconded the motion. The motion carried by **voice vote**.

**HJM 4** **A JOINT MEMORIAL FOR BUTTE COUNTY** - States findings of the Legislature and resolves that it must be ensured that rural counties with large federal installations are not negatively affected by core-based statistical area designations.

**Representative Furniss**, District 35, explained that Butte County was classified as part of the Idaho Falls Metropolitan Statistical Area. He explained the Idaho National Laboratory's location in Butte County made the county ineligible for grants and other opportunities. He stated the memorial would assist Idaho's Congressional delegation in their efforts to correct the classification.

**MOTION:** **Vice Chairman Guthrie** moved to send **HJM 4** to the floor with a **do pass** recommendation. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

**RS 29585** **UNANIMOUS CONSENT REQUEST RELATING TO PROPERTY TAXES** from the Senate Local Government and Taxation Committee regarding interest rates on delinquent property taxes.

**Senator Ricks**, District 34, presented the proposed legislation to reduce the interest rate on delinquent property taxes from 12 percent to 6 percent annually. He stated there were no additional proposed changes at this time.

**DISCUSSION:** **Senator Burgoyne** asked Senator Ricks to gather information on the impact of the bill on local government revenues.

- MOTION:** **Senator Burgoyne** moved to send **RS 29585** to print. **Vice Chairman Guthrie** seconded the motion. The motion carried by **voice vote**.
- RS 29608** **UNANIMOUS CONSENT REQUEST** from the Senate Local Government and Taxation Committee relating to tax commission administration and enforcement rules.
- Senator Rice**, District 10, stated the proposed concurrent resolution would reject an Idaho State Tax Commission (ISTC) rule. He noted both the House and Senate Local Government and Tax Committees, as well as the ISTC, agreed the rule was problematic.
- MOTION:** **Senator Harris** moved to send **RS 29608** to print. **Senator Anthon** seconded the motion.
- DISCUSSION:** **Senator Burgoyne** asked for more information about the reason for the rule rejection. **Senator Rice** answered that the rule would have allowed ex parte communications during a tax appeal without notice to the taxpayer.
- VOICE VOTE:** The motion to send **RS 29608** to print carried by **voice vote**.
- GUBERNATORIAL REAPPOINTMENT:** **THE GUBERNATORIAL REAPPOINTMENT** of Irving Littman to the Idaho Endowment Fund Investment Board (IEFIB).
- Irving Littman**, Boise, Idaho introduced himself to the Committee. He stated he was completing his first term on the IEFIB. He mentioned he had 40 years of financial and corporate management experience.
- DISCUSSION:** **Senator Burgoyne** said Mr. Littman's credentials were impressive. He thanked Mr. Littman for his service. He stated the IEFIB was lucky to have Mr. Littman as a member.
- Senator Winder** asked Mr. Littman to elaborate on his background and experience. **Mr. Littman** provided highlights of his career as Vice President and Treasurer of Boise Cascade, where he oversaw management of the retirement funds. He reported he received his Master of Business Administration degree from the University of Chicago. He remarked he helped found the Investment Committee of the Idaho Community Foundation and assisted other volunteer groups to grow their endowments.
- Chairwoman Lodge** advised that the Committee would vote on Mr. Littman's reappointment at its next meeting.
- RS 29626C2** **RELATING TO CAMPAIGN FINANCE AND LOBBYISTS** relating to reporting requirements.
- Jason Hancock**, Deputy Secretary of State, Idaho Secretary of State's Office (SOS), introduced himself to the Committee. **Mr. Hancock** explained the proposed legislation would simplify and close loopholes in the campaign finance reporting statutes by:
- standardizing the reporting threshold at \$500 for all candidates except county central committee representatives;
  - consolidating the filing requirements into two sections of Idaho Code;
  - classifying federally registered political action committees as political committees for Idaho campaign reporting purposes;
  - establishing a 60-day filing window prior to all elections for reporting electioneering communications; and
  - allowing the Secretary of State to publish its registered lobbyist reports on its website rather than filing a weekly paper report with the Legislature.

**DISCUSSION:** **Senator Lee** asked why the bill's implementation date was set at January 1, 2023 rather than July 1, 2022. **Mr. Hancock** answered it would be confusing and difficult to implement the bill's provisions in the middle of the reporting year. He noted programming changes would be needed for the campaign finance software.

**MOTION:** **Senator Stennett** moved to send **RS 29626C2** to print. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

**S 1289** **RELATING TO THE LEGISLATURE** - Adds to existing law to authorize the Legislature to intervene in certain actions regarding constitutionality of an Idaho statute.

**Senator Souza**, District 4, presented **S 1289** to allow the Legislature to intervene in a lawsuit challenging the constitutionality of an Idaho statute as a matter of right. She reported the Attorney General supported the bill and the Governor's office was neutral.

**DISCUSSION:** In response to questions from **Senator Stennett** about the legal process for the Legislature to intervene in a lawsuit, **Senator Souza** stated under current law the court determined whether the Legislature had standing. She noted the bill would give the Legislature the right to participate if it chose to do so.

**Senator Lakey**, District 12, introduced himself to the Committee. He explained the process for challenging an Idaho statute in court. He described possible methods for gaining Legislative approval to intervene. He said the Legislature would be required to retain counsel or work with the Attorney General.

In response to questions from **Senator Burgoyne** about possible constitutional issues, **Senator Lakey** replied that he was unaware of an Attorney General's opinion on the issue. He said the bill would allow the Legislature to respond to a statutory challenge rather than initiate an action. He agreed it would be important to implement rules to manage the process.

**Vice Chairman Guthrie** remarked that the Legislature already had the right to intervene. He said the bill did not indicate how rules would be promulgated to define the process. **Senator Lakey** pointed out that the bill would give the Legislature standing before the court. He clarified the bill applied to the Legislature as a whole, not individual houses. It would be inappropriate to establish the process in statute, he said.

**MOTION:** **Senator Anthon** moved to send **S 1289** to the floor with a **do pass** recommendation. **Senator Lee** seconded the motion.

**DISCUSSION:** **Senator Winder** explained that the Senate and the House each had separate legal funds because some legal actions didn't involve both bodies. He noted that the Legislature wasn't always in session when issues arose. He added that the Speaker of the House and the President Pro Tempore made such decisions in the past.

**Senator Stennett** inquired why the bill was necessary if the process already existed. **Senator Winder** responded that the bill was necessary to codify the Legislature's standing to intervene.

**Senator Anthon** agreed the bill was important to require the courts to recognize the Legislature's standing to intervene in a case.

**Vice Chairman Guthrie** stated he would support the motion. He wondered if the bill could restrict the Legislature's ability to intervene when the Legislature was not in session.

**VOICE VOTE:** The motion to send **S 1289** to the floor with a **do pass** recommendation carried by **voice vote**.

**S 1358** **RELATING TO THE FETAL HEARTBEAT PREBORN CHILD PROTECTION ACT** - Amends S.B. 1309 and existing law to revise a provision regarding attorney's fees, to remove a provision regarding an affirmative defense, and to redesignate a section.

**Blaine Conzatti**, President, Idaho Family Policy Center, stated **S 1358** was a trailer bill to **S 1309** to include revisions suggested by stakeholder groups to reduce the likelihood of frivolous lawsuits. He reported the bill made two changes to (1) clarify a prevailing defendant would be entitled to an award of costs and attorneys fees and (2) strike subsection 5 of § 18-8807 relating to affirmative defenses.

**MOTION:** **Senator Harris** moved to send **S 1358** to the floor with a **do pass** recommendation. **Senator Anthon** seconded the motion.

**DISCUSSION:** **Senator Burgoyne** stated he would not support the motion because the proposed changes would not resolve any issues for the courts or affect **S 1309**.

**VOICE VOTE:** The motion to send **S 1358** to the floor with a **do pass** recommendation carried by **voice vote**. **Senators Burgoyne** and **Stennett** requested that they be recorded as voting nay.

**H 501** **RELATING TO THE IDAHO STATE CAPITOL BUILDING** - Amends existing law to clarify the allocation and control of space in the Idaho Capitol Building.

**Senator Ricks** presented the legislation to correct an oversight in Idaho Code dating back to the 2009 Capitol renovation. He explained the bill defined the garden level hallways and restrooms as public spaces.

**DISCUSSION:** **Senator Stennett** stated her understanding that the entire Capitol Building was public space. **Senator Ricks** said the bill would clarify the public was officially allowed to use the restrooms and hallways.

**MOTION:** **Senator Lee** moved to send **H 501** to the floor with a **do pass** recommendation. **Senator Burgoyne** seconded the motion.

**DISCUSSION:** **Senator Winder** explained some spaces such as committee rooms, the Senate floor, and offices were under the control of the President Pro Tempore or the Speaker of the House. He noted the bill distinguished common area spaces in the Capitol Building.

**VOICE VOTE:** The motion to send **H 501** to the floor with a **do pass** recommendation carried by **voice vote**.

**H 532** **RELATING TO ELECTIONS** - Adds to and amends existing law to allow the Secretary of State or a county clerk to petition for judicial review of an election when it appears that an error occurred in the administration of the election and the error might be sufficient to change the outcome of the election.

**Phil McGrane**, Ada County Clerk, introduced himself to the Committee. **Mr. McGrane** explained the proposed legislation would grant authority to the Secretary of State and the county clerks to petition the district court for judicial review of an election. He described examples of errors made in recent close elections that could have changed the outcomes of the elections. **Mr. McGrane** said the bill would allow a judge to review an error and determine whether or not to order an immediate new election. He reported under current law either the unsuccessful candidate had to file a petition for review and bear the costs of the case, or the county clerks had to sue themselves.

**DISCUSSION:** In response to questions from **Senator Burgoyne** about the need for a new election in every circumstance, **Mr. McGrane** advised the bill would apply only to situations that could not be resolved under current statutes. He clarified that often a new election was the best remedy even if it was an imperfect and costly option.

**TESTIMONY:** **Jason Hancock** advised that the SOS did not have a position on the bill. He affirmed that in the past counties took themselves to court to obtain a judge's order for a new election.

**MOTION:** **Senator Burgoyne** moved to send **H 532** to the floor with a **do pass** recommendation. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

**H 548** **RELATING TO ELECTIONS** - Amends and adds to existing law to provide that a person's residence for voting purposes shall be the homestead for which the person claims a certain tax exemption and to provide for an investigation into candidate qualifications.

**Senator Stennett**, District 26, presented the proposed legislation. She explained that some candidates claimed a business or extended family member address as their home residence although they did not actually live there. **Senator Stennett** said the bill would allow the SOS to investigate a candidate's or elector's claimed residency through an ISTC database of homestead exemptions. She noted the additional benefits of ensuring someone claimed only one homeowner's exemption or was registered to vote in the correct precinct.

**TESTIMONY:** **Jason Hancock** stated the SOS had no formal position on the proposed legislation. He reported the bill would provide objective criteria to verify a residence address for a majority of registered voters. **Mr. Hancock** noted some timing issues for 2022 elections. He promised to work to implement the legislation if it passed.

**DISCUSSION:** **Senator Burgoyne** expressed his opinion that the legislation was appropriate. He observed it would preclude people from taking inconsistent positions to advantage themselves.

**MOTION:** **Senator Harris** moved to send **H 548** to the floor with a **do pass** recommendation. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

**H 607** **RELATED TO THE IDAHO STATE LOTTERY** to amend existing law to provide that the commission may adopt certain rules and to revise provisions regarding joint lotteries.

**Vice Chairman Guthrie**, District 28, presented the proposed legislation to allow Idaho's continued participation in the Powerball lottery game after Australia and the United Kingdom were licensed to join in 2022. He described economic benefits to businesses and uses of Powerball revenue for schools, the Permanent Building Fund, and the Bond Levy Equalization Fund. **Vice Chairman Guthrie** noted that Idaho would be required to pass additional legislation if other countries were added in the future. He explained the drawings would occur in the Eastern time zone. There would be no difference in the odds of winning.

**TESTIMONY:** **Misty Swanson**, Executive Director, Idaho School Boards Association, testified in support of **H 607** because public schools relied on Powerball dividends to fund school building maintenance. She added that schools would be dependent on voter-approved tax levies without Powerball.

**Charlie Jones**, Owner, Stinker Stores, testified in support of **H 607**. He provided a history of Powerball lottery sales at Stinker stores. He observed Powerball was an important product for his customers.

**DISCUSSION:** The Committee engaged in discussion about the historic Stinker highway signs. **Vice Chairman Guthrie** commented students in many small school districts were excited to receive financial help with classroom equipment. He noted Powerball revenue was impactful to rural districts.

**MOTION:** **Senator Harris** moved to send **H 607** to the floor with a **do pass** recommendation. **Senator Stennett** seconded the motion. The motion carried by **voice vote**.

**ADJOURNED:** There being no further business at this time, **Chairwoman Lodge** adjourned the meeting at 9:26 a.m.

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Senator Lodge  
Chair

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Twyla Melton  
Secretary

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Jeanne Jackson-Heim  
Assistant Secretary