

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Wednesday, January 17, 2024

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman Guthrie, Vice Chairman Bernt, Senators Winder, Anthon, Harris, Lee, Toews, Wintrow, and Ruchti

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: **Chairman Guthrie** called the meeting to order at 8:02 a.m.

WELCOME: **Chairman Guthrie** welcomed all to the Committee meeting.

RS 30889 **Relating to Terms of Library District Trustees. Senator Herndon** recommended that Idaho Code § 33-27-15 be amended to change the term lengths for library district trustees in future library elections from six years to four years. The initial three trustees served two year terms, and subsequent trustees served four year terms. He remarked that trustees elected January 1, 2025, or later would serve four year terms.

MOTION: **Senator Toews** moved to send **RS 30889** to print. **Senator Winder** seconded the motion. The motion carried by **voice vote**.

RS 30803 **Relating to the Bingo Raffle Advisory Board.** Jeffrey R. Anderson, Director, Idaho Lottery, presented. **Mr. Anderson** stated that Idaho Code § 33-2715 (Code) was not updated and corrected since 1992. Charitable gaming contributions to Idaho increased 24 percent to over \$9 billion from October 2023 to October 2024. There were 196 licensees operating in Idaho. **RS 30803** abolished the Bingo Raffle Advisory Board (Board) and updated and clarified Code language. **Mr. Anderson** remarked that it was difficult to find six volunteer Raffle Advisory Board members. Quorum was hard to reach. He stated that in addition to abolishing the Board, the Code changed administrative expense limits from 18 percent to 25 percent and employee wages limits from 18 percent to 25 percent. He stated that the top raffle prize limit was changed from \$1,000 to \$5,000. **Mr. Anderson** remarked that the 20 percent gross contributions to charity remained unchanged. He stated that this legislation abolished the Board, eliminated geographic regions, and appointed one Raffle advisor and one bingo advisor.

Senator Anthon moved to send **RS 30803** to print. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointment of Representative Kenny Wroten to the Idaho Endowment Fund Investment Board** (Board) to serve a term commencing on April 11, 2023 and expiring on April 11, 2027. **Rep. Wroten** introduced himself and stated that he served as the Representative position on the Board. He remarked that the Board met quarterly to review financial results and interact with fund managers. **Rep. Wroten** stated that the Board advised fund managers and ensured that funds were handled for their stated purpose and in concert with the foundation's direction.

DISCUSSION: **Senator Wintrow** asked Mr. Wroten to discuss the skills and qualities he possessed that were a good match for the position. **Rep. Wroten** stated that he had an associate degree in computer programming and a bachelor's degree in finance. He completed an internship at Dean Witter and spent most of his career in banking. He remarked that he understood budgets, bonds, and markets. **Senator Lee** asked what were the challenges and issues that the Board faced. **Rep. Wroten** stated the board was tasked with delivering the largest return possible. Risk was mitigated by spreading funds over diverse markets. He remarked that he focused on returns to beneficiaries. He forecasted a return of \$100 million this year. **Chairman Guthrie** stated that he intended to allow for discussion after the Committee meeting and a vote would be conducted at the next meeting.

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointment of Mary Pat Thompson to the Idaho Endowment Fund Investment Board** (Board) to serve a term commencing on July 18, 2023 and expiring on April 11, 2027. **Ms. Thompson** introduced herself and stated that she attended the University of Idaho and was a licensed CPA. She remarked that she led the Initial Public Offering of MWI Veterinary Supplier in 2005, and she served on two other public companies and two private companies. **Ms. Thompson** stated that she spent her entire career in the finance industry. She remarked that her grandparents owned sawmills in Montana and her first job was with Boise Cascade at Arthur Andersen. Her mother was a retired schoolteacher. **Ms. Thompson** stated that the education and timber industries benefited from the stewardship of the fund.

DISCUSSION: **Senator Lee** asked Ms. Thompson what challenges she saw for the Board. **Ms. Thompson** stated that high inflation and interest rates were a challenge. She remarked that the Board had a diverse mix of talent and the separation of investments mitigated risk. **Senator Wintrow** asked how her mind-set aligned with the position. **Ms. Thompson** stated she grew up in Idaho and understood that hard work was important. She was a good strategic thinker. She remarked that teamwork was important. She stated that she had a strong background in finance and had addressed many obstacles. **Chairman Guthrie** stated that he was concerned about war and inflation, and he asked how nimble the Board was to react. **Ms. Thompson** answered that thoughtful action and a mix of correct allocation enabled the Board to withstand uncertainty. She remarked that the Board had seven years of reserves. **Senator Anthon** thanked Ms. Thompson for applying for the position and serving the state of Idaho. **Chairman Guthrie** stated that he intended to allow for discussion after the Committee meeting and a vote would be conducted at the next meeting.

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointment of David Kim to Commission on Human Rights.** to serve a term commencing on October 31, 2023 and expiring on July 1, 2026. **Mr. Kim** introduced himself and stated that he was born in New England and lived in Boise since 1994. He enjoyed the family friendly environment and access to the outdoors that Idaho provided. He remarked that he belonged to Idaho Emergency Physicians and worked at St. Luke's and St. Alphonsus in Boise. He stated that he was retired. Mr. Kim desired to serve because his core values were fairness and a belief that "two heads were better than one". **Mr. Kim** stated that he provided professional insight into disability cases, possessed experience on medical issues, and displayed attention to detail.

DISCUSSION: **Senator Lee** asked Mr. Kim about the concerns and challenges the Commission faced. **Mr. Kim** stated that the population growth in Idaho resulted in an increase in cases forwarded to the commission. This resulted in stress to mediate and investigate the cases in a timely manner. **Senator Wintow** asked Mr. Kim to elaborate on his skills related to the position. **Mr. Kim** responded that fairness was essential. He stated that he saw a broad cross section of society when he worked in the emergency department. He stated that he developed appreciation for the challenges people face. **Senator Anthon** remarked that Mr. Kim possessed an outstanding resume and the fact that he moved here bode well for the state of Idaho. **Chairman Guthrie** stated that he appreciated the quality of fairness and willingness to serve. He intended to allow for discussion after the Committee meeting and a vote would be conducted at the next meeting.

GUBERNATORIAL APPOINTMENT VOTE: **Committee Vote on the Gubernatorial Appointment of Jim Yost to the Idaho Energy Resource Authority.**

MOTION: **Senator Winder** moved to send the Gubernatorial appointment of Jim Yost to the Idaho Energy Resource Authority to the Senate with the recommendation that he be confirmed. **Senator Bernt** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, Chairman Guthrie adjourned the meeting at 8:36 a.m.

Senator Guthrie
Chair

Peggy Caraway
Secretary