

MINUTES  
**SENATE COMMERCE & HUMAN RESOURCES COMMITTEE**

**DATE:** Thursday, February 08, 2024

**TIME:** 1:30 P.M.

**PLACE:** Room WW54

**MEMBERS PRESENT:** Chairman Cook, Senators Lakey, Guthrie, Ricks, Foreman, Hartgen, Lenney, Ward-Engelking, 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 Cook** called the Senate Commerce and Human Resources Committee (Committee) to order at 1:30 p.m.

**GUBERNATORIAL APPOINTMENT VOTE:** **Committee Vote on the Gubernatorial Appointment of Steven Bailey, Director, Department of Administration (DOA).** **Senator Lenney** moved to send the Gubernatorial appointment of Steven Bailey as Director of the DOA to the floor with the recommendation that he be confirmed by the Senate. **Senator Ricks** seconded the motion. The motion carried by **voice vote**.

**GUBERNATORIAL REAPPOINTMENT:** **Committee Consideration of the Gubernatorial Reappointment of the Honorable Todd Lakey of Nampa, Idaho, to the State Insurance Fund Board, to serve a term commencing January 20, 2023 and expiring January 20, 2025.** **Senator Lakey** gave a brief overview of his background. He noted the State Insurance Fund Board (SIFB) was not a state agency. The SIFB was subject to some state regulation and it provided workers' compensation insurance to local and state government, along with the private sector. He outlined the history of how the SIFB evolved. He stated the funding was from the premiums collected by those participating in the fund.

**DISCUSSION:** **Chairman Cook** queried what was the biggest challenge in Idaho that Senator Lakey faced as a member of the SIFB. **Senator Lakey** remarked the SIFB tried to increase the opportunities for those that participated in the program and to provide access for participation in the program. Participants were encouraged to make the work environment a safe place, more competitive, and more customer friendly.

**Chairman Cook** stated the vote would take place at the next meeting.

**GUBERNATORIAL APPOINTMENT :** **Committee Consideration of the Gubernatorial Appointment of Claire Sharp of Meridian, Idaho, to the Idaho Industrial Commission, to serve a term commencing February 5, 2024 and expiring January 13, 2027.** **Ms. Sharp** gave a brief overview of her background. She noted the Idaho Industrial Commission (IIC) was a state agency responsible for resolving disputes between injured workers and employers, to assist employees to return to their time of injury wages, and to ensure that employers were compliant with the requirements to have workers' compensation insurance. She stated the IIC was also responsible for reviewing the appeals of employment security decisions from the Idaho Department of Labor (IDOL) and to administer the Crime Victims Compensation Benefit Program. She stated her job was to make sure employers were compliant.

**DISCUSSION:** In response to a question from **Senator Ruchti** about balancing the rights of employees and employers in the workers' compensation system, **Ms. Sharp** responded she thought it was important to have balance in the system. She stated it was good to have safe workplaces for employees. She noted it was necessary for employees to have the certainty of the compensation from the workers' compensation system in the event of an accident. The IIC deliberated on these cases and provided a thoughtful, considerate evaluation of the cases and the facts. The goal was to provide the best and most fair outcomes possible.

**Senator Ruchti** queried how Ms. Sharp saw the role of the IIC in balancing the relationship between the employer's attorney, the claimant's attorney, and the role that the IIC played in the process. **Ms. Sharp** responded by outlining the duties of each IIC Commissioner. Because she was a licensed member of the Idaho Bar, she ensured that the IIC determinations and decisions were in accordance with the workers' compensation law.

**Chairman Cook** stated the vote would take place at the next meeting.

**GUBERNATORIAL APPOINTMENT:** **Committee the Gubernatorial Appointment of Janelle White, of Boise, Idaho, as Administrator, Division of Human Resources (DHR), to serve a term commencing January 14, 2024 and serving at the pleasure of the Governor.** **Ms. White** gave a brief overview of her background. She remarked the DHR was responsible for the management of the personnel system for approximately 25,000 State employees. Recently, she worked on the modernization of the DHR, consolidating all of the State's human resource professionals under one umbrella. She stated her vision for the future was to continue to enhance support provided to State employees, leaders, the Governor's office, and legislators. She indicated that streamlining and simplifying processes, providing innovative and cost-effective solutions to challenges, and providing training opportunities to all State employees enhanced their skill sets.

**DISCUSSION:** **Chairman Cook** asked Ms. White how she viewed employee compensation without competing with outside business and to keep good, solid employees as part of the State workforce. **Ms. White** reported that if the State was not going to pay the wages that the market paid, the DHR had to invest in training managers to ensure they could manage employees appropriately. She stated a key component was that many employees came for meaningful work and the ability to impact their communities.

**Senator Ward-Engelking** asked for information on how telework was a part of the recruitment package. **Ms. White** stated that teleworking in the State increased during COVID-19. There were accountability measures that were put in place to handle teleworking.

**Chairman Cook** stated the vote would take place at the next meeting.

**RS 30841C1** **Relating to the Department of Commerce.** **Senator Ricks** reported this bill was regarding "The Idaho Rural Development Partnership Act" (IRDPA). This bill updated outdated language. The amendments clarified that the Idaho Rural Partnership resided within the Idaho Department of Commerce (IDOC), or within another executive branch agency as designated by the Governor, and funding from time-to-time appropriated by the Idaho Legislature; updated the number and type of board members appointed; repealed language that specifically called for the hiring of an executive director; and amended voting privileges for the Board of Directors.

**Senator Ricks** reported reauthorization of the IRDPA had a yearly impact on the State General Fund of \$120,000 per year. The existing IDOC budget was

earmarked to accomplish certain specified rural development objectives. The IDOC reclassified an existing Full-time Position (FTP) for staffing needs.

**MOTION:** **Senator Lakey** moved to send **RS 308741C** to print. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

**Chairman Cook** noted **RS 31073** would be moved to later in the agenda.

**RS 31191** **Relating to the Bitcoin Protection Act.** **Senator Herndon** explained this legislation added a new chapter of Idaho Code related to Bitcoin mining. It contained legislative findings that Bitcoin mining brought positive economic value to individuals, corporations, and other interests in the State. He stated this legislation protected the right of individuals and businesses to mine Bitcoin in the State of Idaho by prohibiting regulations that imposed certain requirements on Bitcoin mining. This legislation also prohibited the Public Utilities Commission from establishing rate classifications for Bitcoin mining. It further prohibited regulations that impaired the use of Bitcoin for the purchase of goods and services, and it prohibited special taxes from being enacted solely because Bitcoin was used as a method of payment in a transaction.

He remarked there was no impact to State or local funding, since this legislation protected private property rights related to Bitcoin and prohibited certain regulations and special taxation of Bitcoin transactions.

**Senator Herndon** referred to several pages in the bill and stated he would go more in-depth when the bill came before the Committee.

**DISCUSSION:** **Senator Ricks** and **Senator Herndon** discussed possible consequences if the Federal government wanted to shut down the consumption of power to mine Bitcoin.

**Senator Ward-Engelking** stated if this bill moved forward, she asked that **Senator Herndon** provide more information about Bitcoin since she heard the founder of Bitcoin was arrested for embezzling and not being truthful with investors.

**MOTION:** **Senator Lenney** moved to send **RS 31191** to print. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

**RS 31190** **Relating to Liens of Mechanics and Materialmen.** **Senator Lakey** reported this bill proposed a change to Idaho Code, Chapter 5, Title 45 that governed mechanic's liens to reflect industry best practices, specifically setting a time certain that the lien must be enforced within six months of filing to ensure consistency and predictability for all parties involved. He noted there was no additional expenditure of funds at the State or local level of government, nor did it cause an increase or decrease in revenue for State or local government.

**MOTION:** **Senator Lenney** moved to send **RS 31190** to print. **Senator Ricks** seconded the motion. The motion carried by **voice vote**.

**RS 31282** **Relating to Plats and Surveys.** **Senator Ruchti** explained this legislation amended Idaho Code §§ 50-1301 and 55-1902 to revise the definition of "Basis of Bearing." The revision created two options for defining the Basis of Bearing rather than a two-prong definition. He stated enactment of this legislation had no impact on the General Fund other than the minimal costs involved with making the requisite ministerial change to Idaho Code.

**MOTION:** **Senator Lenney** moved to send **RS 31282** to print. **Senator Guthrie** seconded the motion. The motion carried by **voice vote**.

**RS 31283**

**Relating to Labor.** **Senator Ruchti** specified this legislation repealed Idaho Code § 44-2012, which the United State Court of Appeals, Ninth Circuit held in 2015 was preempted by the National Labor Relations Act (NLRA) in *Idaho Building and Construction Trades Council, AFL-CIO v. Inland Pacific Chapter of Associated Builders and Contractors, Inc.* The result was the statutory language contained dead letters that were of no force or effect in Idaho law and should be removed to avoid confusion for those who thought the statutory language was valid.

**Senator Ruchti** reported enactment of this legislation had no impact on the General Fund other than the minimal costs involved with making the requisite ministerial change to Idaho Code.

**MOTION:**

**Senator Guthrie** moved to send **RS 31283** to print. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

**RS 31073**

**Relating to the Barber and Cosmetology Services Act.** **Senator Den Hartog** reported this legislation amended Idaho Code § 54-5805 to define hairpieces and toupees as natural or synthetic hair that was affixed to a person's scalp via a bonding agent. Additionally, this legislation defined wigs and exempted wig sellers from cosmetology licensure. She noted this legislation caused no additional expenditures of funds at the State or local level of government, nor did it cause an increase or decrease in revenue.

**MOTION:**

**Senator Lakey** moved to send **RS 31073** to print. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

**RS 31018**

**Relating to Child Labor Laws.** **Senator Zuiderveld** reported youth employment was currently hampered by a legacy of restrictive regulation in Idaho. Other states such as Iowa, Nebraska, and Arkansas passed legislation to liberate young adults to go to work and to build the economic opportunity in the states' tight labor markets. This bill freed workers to begin at younger ages, become employed in jobs currently restricted, and help employers hire the workers needed at lower costs. The bill lifted labor restrictions from public education constraints because many young workers were home-schooled or attended alternative education models that did not follow the traditional public education times and days. The bill, while prohibiting exploitation, encouraged any enterprising young person who wanted to work, while not sacrificing basic education. There was no fiscal impact to the General Fund or to any local government budget because this bill relaxed regulations on youth employment.

**MOTION:**

**Senator Guthrie** moved to send **RS 31018** to print. **Senator Lenney** seconded the motion. The motion carried by **voice vote**.

**RS 31293**

**Relating to Credit Unions.** **Senator Lakey** explained this bill was a routine industry bill that provided updates and modernized the Idaho Credit Union Act (ICUA) and provided flexibility and modern provisions to allow Idaho state-chartered credit unions to better serve their members. He noted the proposed updates in the ICUA included: 1) provided additional definitions to help provide better clarity during routine credit union examinations with Idaho state-chartered credit unions; 2) updated general governance provisions that helped streamline day-to-day operations for Idaho credit unions. This included removing mandated fiscal years, removed the requirement to provide documents in triplicate, and the ability to email authority and other requests to the Idaho Department of Finance (IDOF); 3) provided opportunities and flexibility for Idaho credit unions to serve underserved areas throughout Idaho that were lacking traditional financial service opportunities; 4) provided credit unions more access to emerging financial tools and services that better served members directly through improved and expanded service offerings and ensured greater protection

and security for consumers. There was no fiscal impact to the General Fund. The proposals specifically related to the operations of state-chartered credit unions and required no additional resources of the IDOF.

**MOTION:** **Senator Ricks** moved to send **RS 31293** to print. **Senator Guthrie** seconded the motion. The motion carried by **voice vote**.

**ADJOURNED:** There being no further business at this time, **Chairman Cook** adjourned the meeting at 2:16 p.m.

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Senator Cook  
Chair

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Linda Kambeitz  
Secretary