

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Friday, March 01, 2024

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Crane(13), Vice Chairman Young, Representatives Palmer, Barbieri, Holtzclaw, Scott, Andrus, Skaug, Alfieri, Allgood, Crane (Crane)(12), Gannon, Achilles

**ABSENT/  
EXCUSED:** None

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

**Chairman Crane (13)** called the meeting to order at 9:00 AM.

**H 652:** **Rep. Crane (13)** asked unanimous consent to **HOLD H 652** subject to the call of the chair. There being no objection, the request was granted.

**HCR 26:** **Sasha O'Connell**, Office of Performance Evaluation, presented information on the Health Information Exchange, an example of another non-profit which was partially funded by the state. She proved the organization was treated differently than other private vendors because of its relationship with the state. However, over time the state had no enforcement mechanism and the Exchange was not subject to the transparency requirements of a public entity. The recommendation of Office of Performance Evaluation was for the Exchange to cease business unless they increased transparency.

**Raul Labrador**, Attorney General of Idaho, testified **in support** of **HCR 26** stating the Hawley Troxell memo does not address the central constitutional question of whether or not the Board of Regents has the power to acquire a private institution. He highlighted that while the University has attested there was no mechanism for them to bring this to the legislature, there was also not anything stopping them.

**Rod Lewis** testified **in support** of **HCR 26** stating this is the largest change in the history of Idaho higher education history and deserves additional review and debate. In response to committee questions, Mr. Lewis highlighted this purchase is structured entirely on debt and he believes the real risk to the University of Idaho to be much higher than 10 million per year for five years. He expressed concern that only abridged information is provided on the University's FAQ page and expressed a desire to see due diligence documents, financial documents, the contract, and negotiation documents for the transaction. He also expressed concern about the University of Phoenix's bad behavior in the past.

**Aaron Williamson** testified **in opposition** to **HCR 26** stating he was in attendance at the May 18th Board meeting and felt it was transparent and informative.

**Nels Mitchell** testified **in support** of **HCR 26** highlighting numerous red flags he sees in this transaction including lack of statutory authority, previous settlements for fraud, and failures to disclose. In response to committee questions, Mr. Mitchell explained all conflicts should be disclosed before an attorney is hired.

**Bill Kerns** testified in opposition to **HCR 26** stating there are many merits to this transaction and it is one of many good things this administration has done for the University of Idaho. He asked legislators to not stop the transaction and instead enter into forward thinking discussion with the University. In response to committee questions, he explained there is not enough time to stop this process and take legal action.

**Scott Green**, University of Idaho President, responded to further committee questions stating he understands the committee's concerns about risk, but the University feels the revenue streams and equity from Phoenix are strong and doing nothing poses a greater risk to the University.

**Elizabeth Bowen**, Legislative Legal Counsel, closed debate recommending **HCR 26** to the legislature so they can get all the information they need.

**MOTION:**

**Rep. Gannon** made a motion to send **HCR 26** to the floor with a **DO PASS** recommendation.

**Rep. Gannon** spoke to his motion stating he is thankful for the President and the University coming to the table, however he still has concerns about a private company being bought by a public entity and believes this issue needs further review.

**SUBSTITUTE MOTION:**

**Rep. Achilles** made a substitute motion to send **HCR 26** to General Orders.

**Rep. Young** spoke in support of the original motion and highlighted this committee would like to have the due diligence documents and signed contracts and would like to have a total liability analysis.

**Rep. Scott** spoke in opposition to the substitute motion stating the legislature may need to pursue something legally and this gives them the best opportunity to do so.

**ROLL CALL VOTE ON SUBSTITUTE MOTION:**

**Substitute motion failed by a vote of 1 AYE, 10 NAY, and 2 absent and excused.** Voting in favor of the motion: **Rep. Achilles**. Voting in opposition to the motion: **Reps. Crane (13), Young, Barbieri, Holtzclaw, Scott, Skaug, Alfieri, Allgood, Crane (12), and Gannon.** **Reps. Palmer and Andrus** were absent and excused.

**VOTE ON ORIGINAL MOTION:**

**Original motion carried by voice vote.** **Rep. Crane (13)** will sponsor the bill on the floor.

**H 602:**

**Rep. Hawkins** presented **H 602** explaining this bill is not against teachers or unions, but rather ensures taxpayer dollars only pay for teachers while teaching in the classroom.

**Maxford Nelson**, Freedom Foundation, continued the presentation of this legislation stating it stops tax dollars from being directly contributed to a teachers union, prohibits paid time off for union work, ends special union access to school facilities, and would protect teachers privacy by stopping records from being shared with the union. In response to committee questions, Mr. Nelson explained he helped with the drafting of this legislation and believes taxpayers do not intend to pay for teachers to do union work.

**Joe Maloney**, American Federation of Labor & Congress of Industrial Organizations, **Jason Hudson**, International Brotherhood of Electrical Workers, and **Shaun Laughlin**, Professional Firefighters of Idaho and the Idaho Fraternal Order of Police, testified in opposition to **H 602** expressing concern as other public sector union members about the precedent this sets since similar versions of this legislation have been drafted including their unions.

**MOTION:** **Rep. Palmer** made a motion to send **H 602** to the floor with a **DO PASS** recommendation.

**Dale Layne**, Idaho Association of School Administrators testified **in opposition** to **H 602** stating they did not ask for this legislation, nor did they have any input on it. In response to committee questions, Mr. Layne clarified he supports tax dollars going to professional development which many of the unions provide. He also voiced concerns this action could discourage people from becoming teachers.

**Paul Stark**, Idaho Education Association, testified **in opposition** to **H 602** stating this is an out of state solution looking for a Idaho problem and expressed concern this could be a first amendment viewpoint discrimination.

**Brian Sikma**, Workers for Opportunity, testified **in support** of **H 602** stating no teacher should be forced to participate in union activities against their will and this legislation establishes a good line between what should and should not be funded by taxpayers,

**Maxford Nelson** closed debate stating this would not be an equal protection issue since it only impact Title 33 of Idaho Code which only effects teachers.

**Rep. Allgood** spoke **in opposition** to the motion stating he spoke with his school districts and affirmed the union and districts work well together.

**Rep. Achilles** spoke **in opposition** to the motion stating no teachers and districts are in support of this legislation and expressed concern about out of state lobbyists bringing this kind of legislation to Idaho.

**Rep. Scott** spoke **in support** of the motion stating it is always appropriate to seek help from outside the state when needed.

**Rep. Gannon** spoke **in opposition** to the motion expressing concerns this legislation will hurt teacher retention and recruitment.

**VOTE ON MOTION:**

**Motion carried by voice vote. Reps. Gannon, Achilles, and Allgood** requested to be recorded voting **NAY. Rep. Hawkins** will sponsor the bill on the floor.

**ADJOURN:**

There being no further business to come before the committee, the meeting adjourned at 11:02 AM

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Representative Crane (13)  
Chair

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Kennedy Jones  
Secretary