

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Wednesday, March 15, 2017

**TIME:** 1:30 p.m. or Upon Afternoon Adjournment

**PLACE:** Room EW41

**MEMBERS:** Chairman Barbieri, Vice Chairman Clow, Representatives Collins, Crane, Palmer, Thompson, Hixon, Monks, Anderst, Dixon, Troy, Stevenson, Armstrong, DeMordaunt, Manwaring, Smith, Kloc, Toone

**ABSENT/  
EXCUSED:** Rep. Monks

**GUESTS:** Lance Giles, Motor Vehicle Protection Products; Woody Richards, Insurance Guarantee Association; Jonathan Parker, H&H

**Chairman Barbieri** called the meeting to order at 1:32 p.m.

**MOTION:** **Rep. Kloc** made a motion to approve the minutes of the March 7, 2017, meeting. **Motion carried by voice vote.**

**MOTION:** **Rep. Kloc** made a motion to approve the minutes of the March 9, 2017, meeting. **Motion carried by voice vote.**

**MOTION:** **Rep. Kloc** made a motion to approve the minutes of the March 13, 2017, meeting. **Motion carried by voice vote.**

**S 1077aa:** **Lance Giles**, representing the Motor Vehicle Protection Products Association, presented **S 1077aa**. The legislation deals with providers, retailers, administrators, and insurers of motor vehicle ancillary products. The authority to enforce the Idaho Motor Vehicle Service Contract Act is moved from the Attorney General to the Director of the Idaho Department of Insurance. The definition of a service contract is defined and expressly authorizes certain types of contracts. The Director of Insurance is given the power to approve other similar service contracts not enumerated in the Act. A new chapter to regulate warranties associated with theft protection products installed on vehicles was added to the Act.

In answer to committee questions, **Director Dean Cameron**, Idaho Department of Insurance (DOI), stated this product is not intended to be property and casualty insurance, but specifically service agreements. The Department utilizes due process to protect the consumer and carrier. The Director clarified, consumers need a place to file a complaint. As a course of action, the DOI can revoke a license or issue a fine as deemed necessary. This legislation crystallizes current regulatory practice to ensure these products are not eventually treated as insurance subject to the full scope of the insurance code.

**Reps. Armstrong, Troy, Anderst and Hixon** spoke in support of the bill.

**MOTION:** **Rep. Armstrong** made a motion to send **S 1077aa** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Crane** requested to be recorded as voting **NAY**. **Rep. Armstrong** will sponsor the bill on the floor.

**S 1079:** **Sarah Bettwieser**, U.S. Travel Insurance Association, yielded to **Bill Scoggin**, Troutman Sanders LLP, representing the U.S. Travel Insurance Association, who presented **S 1079**. This legislation authorizes the Department of Insurance to issue limited lines travel insurance producer licenses to qualified applicants. The licensed limited lines travel insurance producer and the travel retailer are required to meet administrative and disclosure specifications. A transaction record must be maintained.

In answer to committee questions, **Director Cameron**, Department of Insurance, clarified this legislation gives him no more authority than he already has. He confirmed this is a practical matter and he would prefer to put it in statute rather than rule.

**Reps. Anderst, Armstrong and Hixon** spoke **in support** of the bill.

**MOTION:** **Rep. Anderst** made a motion to send **S 1079** to the floor with a **DO PASS** recommendation. **Rep. Crane** requested to be recorded as voting **NAY**. **Rep. Manwaring** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee the meeting adjourned at 2:20 p.m.

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Representative Barbieri  
Chair

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Joyce McKenzie  
Secretary