

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Thursday, February 13, 2014

TIME: 9:00 A.M.

PLACE: Room EW40

MEMBERS: Chairman Loertscher, Vice Chairman Batt, Representative(s) Anderson(1), Andrus, Luker, Crane, Palmer, Sims, Barbieri, Holtzclaw, McMillan, Monks, Packer, Smith, Gannon, Woodings

**ABSENT/
EXCUSED:** Representative Anderson(1)

GUESTS: Patti Tobias, Idaho Courts; Russell Westerberg, Westerberg and Associates.

Chairman Loertscher called the meeting to order at 9:00 a.m.

Chairman Loertscher gave recognition to the House Page, **Austin Sheffey**, thanking him for his exemplary services over the past six weeks.

RS 22738: **Debbie Betzold**, Operations' Specialist, State Treasure's Office, Unclaimed Property Division, presented **RS 22738**, proposed legislation to clarify that the Unclaimed Property Program (UCP) can conduct outreach and education to connect Idahoans with their lost property. The legislation also makes technical clarification concerning the notice of escheatment.

In response to committee questions, **Ms. Betzold** stated there is no fiscal impact because the cost is already built into the current budget and the Treasurer's Office just wants to add this necessary clarification in order to carry that out.

MOTION: **Rep. Woodings** made a motion to introduce **RS 22738**. **Motion carried by voice vote.**

RS 22846: **Patti Tobias**, Administrative Director, Idaho Courts, presented **RS 22846**, proposed legislation to provide necessary support for the implementation of a new technology solution for Idaho Courts. The judiciary's ISTARs system is nearly at "end of life" and must be replaced. The new Odyssey system will modernize case management and enable the adoption of more effective business practices. Access to the courts and court records will also be greatly improved through the use of electronic filing, electronic storage of records, and video-conferencing.

Ms. Tobias stated an increase in filing fees in civil cases, along with multiple one-time General Fund appropriations, will provide the funding for this transition. After analysis and consultation with the bar, court users, legislators and others, the consensus is to seek a graduated set of filing fees in civil cases. Accordingly, the bill provides for the following increases: for cases filed in the district court, an increase of \$125; for cases filed in the magistrate division, an increase of \$70; and for appearances filed by defendants in either the district court or the magistrate division, an increase of \$70. A \$20 fee will be added for a few types of filings for which no technology fee is currently charged. Other filings for which no technology fee is being charged shall remain exempt from such fees. The ISTARs Technology Fund will be renamed the Court Technology Fund. The bill will also require the Supreme Court to make an annual report to the Governor and the Legislature on the status of the Court Technology Fund, the enhancement of court technology, and savings and efficiencies resulting from the use of that technology.

In response to committee questions, **Ms. Tobias** said it is estimated that revenues received by the Court Technology Fund would be increased by approximately \$5,466,000 annually. These funds will be expended pursuant to legislative appropriations to fund the Court's technology solutions. She stated the ISTARs system handles over 500,000 new cases annually. She stated there is a three-year implementation plan in regards to changing over to the new system. She stated Twin Falls County will be the first city to try out the new program, then Ada County. She stated this will occur within a three year period. She stated the current ISTARs program costs approximately 3.2 million dollars and the monies are in a dedicated fund to keep it running. She stated there is a five-year business plan that includes the break-down of costs associated with implementing the new program. She stated the Court's technology is funded through JFAC as well as other ways. She also stated Idaho has some of the lowest court fees in the nation, even with the proposed increases. She stated the ISTARs program was initiated in 1997 and the only other increase in funds for court technology was in 2006.

MOTION: **Rep. Packer** made a motion to introduce **RS 22846**.

Rep. Palmer spoke to the motion and stated he thinks it is too much money and doesn't see how the Courts would be saving money. **Rep. Barbieri** spoke to the motion and stated he is concerned with the fiscal note and the increase in fees because there is no sunset clause.

VOTE ON MOTION: **Chairman Loertscher** called for a vote on the motion to introduce **RS 22846**. **Motion carried by voice vote.** **Rep. Palmer** requested to be recorded as voting **NAY**.

RS 22688: **Rep. Morse** presented **RS 22688**, proposed legislation which repeals provisions of state law preventing the garnishment or execution of a final judgment against monies owed to an elected official of the State of Idaho. The bill repeals this privileged treatment and leaves all other aspects of the statute intact. The effect of this legislation is to treat all citizens of the state the same.

In response to committee questions, **Rep. Morse** stated the original law was adopted in 1937 or 1939. He said he could not find any information on intent of the law in any of the records concerning the law.

MOTION: **Rep. Gannon** made a motion to introduce **RS 22688**. **Motion carried by voice vote.** **Reps. Barbieri and McMillan** requested to be recorded as voting **NAY**.

Rep. Monks spoke to the motion and stated he supported the idea of legislation not giving special privileges to elected officials. **Rep. Luker** spoke to the motion and stated he is confused by the existing language of the statute but that he agreed with the legislation's intent.

Rep. Barbieri spoke to the motion and stated the statute is convoluted and needs to be completely reworded.

RS 22858: **Rep. Morse** presented **RS 22858**, proposed legislation that establishes privacy standards for, and definitions of biometric data collected by private entities. Some private businesses are obtaining, analyzing, and transferring private biometric information. This bill requires safeguards for data that is collected, by requiring written notice to the subject, and obtaining written consent to collect such data. It informs the subject of the specific purpose of the data collection. No private entity may sell, trade, or transfer or profit from the transfer of private biometric data. No private entity may disclose or copy, transfer or profit from the transfer of private biometric data unless the subject consents to the disclosure, and such information is necessary for a contractual transaction, is required by law, or is required by a warrant.

He also stated that under this legislation, a private entity in possession of private biometric data must store the data securely by employing a reasonable standard of care. The bill further provides for a right of action for damages in the event of breach of these protections for a minimum of \$1,000 or actual damages, plus reasonable attorney's fees and costs. This act does not apply to the admission of evidence in Court, nor the storage or retention of medical records mandated by any state or federal law.

In response to committee questions, **Rep. Morse** stated the legislation is intended to reach technology of companies that are aggregating data, such as payday loan companies, big-box stores, places that scan DNA, and other biometric data. He stated the legislation makes certain a trade of selling such data is not developed. The legislation clearly draws the line in the commercial arena. He stated the language is taken from statutes in Illinois and Pennsylvania.

MOTION: **Rep. Luker** made a motion to introduce **RS 22858. Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:56 a.m.

Representative Loertscher
Chair

Kasey Perkins
Secretary