

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Tuesday, February 03, 2015

**TIME:** 1:30 PM

**PLACE:** Room EW41

**MEMBERS:** Chairman Barbieri, Vice Chairman Clow, Representatives Collins, Crane, Palmer, Thompson, Batt, Hixon, Kauffman, Monks, Anderst, Beyeler, DeMordaunt, Dixon, Troy, Smith, Rusche, Jordan

**ABSENT/  
EXCUSED:** None

**GUESTS:** Marilyn Cleland, Cosmetology Board; Tana Cory, Occupational Licenses; Tom Donovan, DOI; Woody Richards, Insurance Companies; Angela Richards, Insurance Companies; Kristyn Kirschenman, Governor's Office

**Chairman Barbieri** called the meeting to order at 1:30 PM.

**MOTION:** **Rep. Hixon** made a motion to approve the minutes of the Hixon Subcommittee on Rules meeting of January 27, 2015. **Motion carried by voice vote.**

**MOTION:** **Rep. Beyeler** made a motion to approve the minutes of January 29, 2015. **Motion carried by voice vote.**

**Rep. Hixon** presented to the committee the report of the Hixon Subcommittee on Rules which looked at the dockets from the Bureau of Occupational Licenses, the Department of Finance, and the Department of Insurance. He said the subcommittee recommended approval of all but three dockets. He declared a Rule 38 stating he is a licensed insurance agent in the State of Idaho.

**MOTION:** **Rep. Hixon** made a motion to approve **Docket Numbers 24-2501-1401, 49-0101-1401, 12-0110-1401, 18-0146-1401, and 18-0153-1401.** **Motion carried by voice vote.**

**RS 23236:** **Roger Hales**, Administrative Attorney on behalf of the Bureau of Occupational Licenses, presented **RS 23236** to the committee which is intended to clarify and streamline the current statutory approach governing demonstration permits. He said due to sanitary concerns Idaho Code governs certain practice outside licensed establishments for the practice, demonstration, or teaching of cosmetology. An individual or school must file an application and then wait for the issuance of a permit. Occasionally, the Board must meet and approve the requested permit. He said the statute is not clear regarding the requirements or events allowed and does not address common events outside of a licensed establishment, such as weddings.

**Mr. Hales** said this proposal identifies certain practices where a licensee can demonstrate or teach outside of the shop. It will eliminate the permit requirement and, instead, provide for a registration. This way the applicant would not have to wait for a permit and will allow charitable and traditional events outside of a licensed shop. This proposal will allow the board to adopt rules concerning the practices of students or apprentices.

**MOTION:** **Rep. Rusche** made a motion to introduce **RS 23236.**

Concern was expressed as to whether there would be violations if a location was changed at the last minute or if a thank you gift would be considered compensation. Further concern was expressed as to the necessity of the registration or permitting process in general because the licensees are trained in their practice. **Mr. Hales** responded, saying licenses are required in part due to sanitation concerns and, to his knowledge, the rules for licensing are consistent throughout the United States.

**SUBSTITUTE MOTION:**

**Rep. Crane** made a substitute motion to return **RS 23236** to the sponsor.

In response to a question regarding whether fees would be attached in the future to the registration process, **Mr. Hales** said there used to be a fee associated with the permit but this fee has since been eliminated. He does not believe the Board has any intention of reinstating this fee. He also concluded the concerns addressed by the committee could be cleared up by rule.

**VOTE ON SUBSTITUTE MOTION:**

**Chairman Barbieri** called for a vote on the substitute motion to return **RS 23236** to the sponsor. A division was requested. **By a show of hands, the motion failed.**

**VOTE ON ORIGINAL MOTION:**

**Chairman Barbieri** called for a vote on the original motion to introduce **RS 23236**. **Motion carried by voice vote. Reps. Hixon and Crane** requested to be recorded as voting **NAY**.

**RS 23227:**

**Roger Hales**, Administrative Attorney on behalf of the Bureau of Occupational Licenses, presented to the committee **RS 23227** which will allow the Idaho Board of Registration for Professional Geologists to clarify by rule its examination process. He said this proposed legislation would make changes allowing a geology student to take one of the two required examinations while still in college. Currently, an individual is not qualified to take the examinations until they have obtained their degree. It will allow the Board to designate by rule the approved examination, an applicant's passing score, and an applicant's eligibility to take the examinations. The student can take the first exam which relates to the subjects they took in school. The second exam relates to the professional practice. Students cannot take this exam until more experience is gained.

**MOTION:**

**Rep. Rusche** made a motion to introduce **RS 23227**. **Motion carried by voice vote.**

**DOCKET NO. 24-0201-1401:**

**Rep. Hixon** explained that the Hixon Subcommittee on Rules forwarded the Board of Barber Examiners Pending Rule, **Docket No. 24-0201-1401**, to the full committee without recommendation. He said the subcommittee had concerns and felt the full committee should look at this rule closer. He invited **Roger Hales** to come before the committee and explain the rule.

**Roger Hales**, Administrative Attorney on behalf of the Bureau of Occupational Licenses, offered background and context on **Docket No. 24-0201-1401**. He said the Board of Barber Examiners and the Board of Cosmetology made this rule and **Docket No. 24-0401-1401** to accomplish the same goal of making things more simple and flexible in licensing a contiguous shop. A barber must have a license and must, with few exceptions, practice within a licensed shop. He said there are two types of shop licenses: primary and contiguous. A primary shop license allows all the employees of that shop to work without their own primary license. A contiguous license is required by laws governing independent contractor relationships. For the contiguous shop license each work space's location has to be designated and, if moved, new paperwork had to be filed. This is the barber's approach for streamlining the licensing of contiguous shops, now the licensee only needs to identify where the contiguous shop is located and the primary address of the shop can be used. He said **Rep. Crane** brought this to the Bureau's and Boards' attention indicating the rule was burdensome and difficult.

**Mr. Hales** said there was an additional concern from the subcommittee dealing with the requirement of a substantial partial partition of not less than seven feet for establishments that have a business in addition to a barber or cosmetology shop. Previously a solid or unmovable wall needed to be in place. He continued that this language is consistent with the cosmetology rules so if a barber and cosmetologist is working in the same place they would be working under the same rules. He said there also were minor changes in regard to sanitary practices and service animals.

**MOTION:** **Rep. Hixon** made a motion to approve **Docket No. 24-0201-1401**. **Motion carried by voice vote.**

**DOCKET NO. 24-0401-1401:** **Roger Hales**, Administrative Attorney on behalf of the Bureau of Occupational Licenses, explained that **Docket No. 24-0401-1401**, a Pending Rule for the Board of Cosmetology, is very similar to the one from the Board of Barber Examiners as it simplifies and makes more flexible the licensing by allowing the contiguous shop to be located anywhere within the primary shop without filing new licensing paperwork.

**MOTION:** **Rep. Hixon** made a motion to approve **Docket No. 24-0401-1401**.

**Rep. Crane** complimented the Board, saying they did a fantastic job reaching out to his constituents and coming up with a reasonable solution to the problem presented.

**VOTE ON MOTION:** **Motion carried by voice vote.**

**DOCKET NO. 18-0144-1401:** **Rep. Hixon** explained the Hixon Subcommittee on Rules had concerns regarding the Department of Insurance Pending Fee Rule and asked the full committee to review the docket.

**Tom Donovan**, Acting Director for the Department of Insurance, said the focus of the concern was the language change to allow flexibility in a fee charge for an examination from \$60 to "not to exceed eighty dollars." He said the \$60 fee has been in place at least 22 years. The fee for the examinations are collected and retained by a third party vendor. He said there was discussion regarding eliminating the fee language entirely; however, he believes this would take away the oversight and confidence the Department of Insurance has with the test. He said the increase in the fees allows the Department of Insurance the flexibility to contract with vendors who could provide better customer service.

**MOTION:** **Rep. Hixon** made a motion to reject **Docket No. 18-0144-1401**.

**Rep. Hixon** indicated this fee increase can be requested in the future if a need is more apparent. In response to a question, **Mr. Donovan** said that the addition of public adjustors to the rule and the striking of employee from the rule was made due to a recent statutory change. **Rep. Batt** expressed concern over the post secondary educational institutions and the self-funded health plans language.

**SUBSTITUTE MOTION:** **Rep. Clow** made a substitute motion to approve **Docket No. 18-0144-1401**.

In support of this motion, **Rep. Clow** said he supported this fee rule change because he believed this fee increase was not extraordinary and it allowed for the vendor to provide better customer service. In response to why this Fee Rule change was needed now, **Mr. Donovan** said in general he would not recommend Temporary Fee Rules; therefore, because of the length of the rule process, the problem was identified and they have taken steps to solve it now. Plus they had the staff and resources to take care of it this year. Concern was voiced that by increasing the ceiling to \$80, the fee would most likely be increased to the applicant.

**Woody Richards**, on behalf of the insurance companies he represents, testified in support of **Docket No. 18-0144-1401**.

**AMENDED  
SUBSTITUTE  
MOTION:**

**Rep. Beyeler** made an amended substitute motion to reject **Section 030.02.a** from **Docket No. 18-0144-1401**.

**AMENDED  
SUBSTITUTE  
MOTION  
WITHDRAWN:**

**Rep. Beyeler** withdrew his amended substitute motion.

**VOTE ON  
SUBSTITUTE  
MOTION:**

**Chairman Barbieri** called for a vote on the substitute motion to approve **Docket No. 18-0144-1401**. A division was requested. **By a show of hands, the motion failed.**

**VOTE ON  
ORIGINAL  
MOTION:**

**Chairman Barbieri** called for a vote on the original motion to reject **Docket No. 18-0144-1401**. A division was requested. **By a show of hands, the motion carried.**

**ADJOURN:**

There being no further business to come before the committee, the meeting was adjourned at 2:58 PM.

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Representative Barbieri  
Chair

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Francoise Cleveland  
Secretary