

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Friday, February 20, 2015

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman McKenzie, Senators Davis, Hill, Winder, Lakey, Johnson (Lodge), Stennett and Buckner-Webb

ABSENT/ EXCUSED: Senator Siddoway

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 McKenzie** called the Senate State Affairs Committee (Committee) to order at 8:00 a.m.

RS 23654 **A Senate Concurrent Resolution Commemorating the Centennial Anniversary of Boundary County.**

Senator Keough stated that in January 1915, the Thirteenth Idaho Legislature passed H 1 creating Boundary County and declared Bonners Ferry as the county seat. The Bill was signed by Governor Moses Alexander on January 25th. The historical society in Boundary County plans to celebrate the birth of the county in July. Boundary County is the most northern county in the State and gained its name because it borders Canada, Montana and Washington. She asked for **RS 23654** to be printed.

MOTION: **Senator Hill** moved to print **RS 23654**. **Senator Stennett** seconded the motion. The motion carried by **voice vote**.

RS 23642 **Relating to Veterans to Establish a Veterans Home in Northern Idaho.**

Senator Nonini explained that **RS 23642** is a continuation of efforts to establish a veterans home in Northern Idaho. There are currently three veterans homes in the State: Pocatello, Lewiston and Boise.

MOTION: **Senator Hill** moved to print **RS 23642**. **Senator Winder** seconded the motion. The motion carried by **voice vote**.

APPROVAL OF MINUTES: **Senator Stennett** moved to approve the Minutes of January 21, 2015, with a technical correction. **Senator Davis** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointment of Craig Corbett to the Idaho Lottery Commission.**

MOTION: **Senator Stennett** moved to send the gubernatorial appointment of Craig Corbett to the Idaho Lottery Commission to the floor with the recommendation that he be confirmed by the Senate. **Senator Winder** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointments of Cameron Arial, Gavin Gee and Kerrie Murray to the Treasurer's Investment Advisory Board.**

MOTION:

Senator Winder moved to send the gubernatorial appointments of Cameron Arial, Gavin Gee and Kerrie Murray to the Treasurer's Investment Advisory Board to the floor with the recommendation that they be confirmed by the Senate. **Senator Buckner-Webb** seconded the motion. The motion carried by **voice vote**.

**GUBERNATORIAL
APPOINTMENT
HEARING:**

The Gubernatorial Appointment of Gary Michael to the Treasurer's Investment Advisory Board (Board).

Chairman McKenzie welcomed Gary Michael to the Committee. He asked him to provide some personal background, his role on the Board and how the Board can assist the Treasurer's office.

Mr. Michael explained that the role of the Board will be to review the investments. He spent most of his career in the grocery business but is a certified public accountant and served on 11 company boards. He is currently chairman of most of their audit committees. He also works on the compliance committee for Ceasar's Entertainment. In business, money has to be collected, spent correctly, and if there is any left, invested in a prudent and cautious manner. He is pleased to serve on the Board.

Chairman McKenzie stated his appreciation that Mr. Michael has agreed to serve on the Board.

Senator Hill asked what Ceasar's Entertainment was. **Mr. Michael** responded that it is one of the largest entertainment companies in the world involved in hotel and gaming businesses. It is Las Vegas based with world wide operations. **Mr. Michael** said he served on the board of directors of that company before it was sold in 2009. He still remains with the company as an outside expert consultant on audits and compliance.

Senator Winder commented that Mr. Michael will add a great deal of expertise to the Board particularly with audit, investment and management issues.

Chairman McKenzie noted that the list of Mr. Michaels accomplishments is long and the State can be proud of Idahoans with that kind of experience.

**GUBERNATORIAL
APPOINTMENT
HEARING:**

The Gubernatorial Reappointment of Major General Gary Sayler as Adjutant General of the Military Division.

Chairman McKenzie welcomed Maj. Gen. Sayler and thanked him for his service. He asked him for his perspective on where the Military Division has been and where it is going.

Maj. Gen. Sayler recalled a picture of an Idaho Governor reviewing the forces at Fort Boise. There is nothing in the surrounding area except the horses in the foothills. That is where the Military Division has been. Idahoans can be very proud of their Idaho National Guard. They serve with distinction in the army and in the air. The Idaho Army National Guard (Army Guard) has served in overseas conflicts for 12 years and the Idaho Air National Guard (Air Guard) for over 20 years. Federal budget problems have led to discussions about the future. Some of the Air Guard aircraft are aging and are being considered for retirement. They are facing a similar issue in the Army Guard with the AH-64 Apache. Some aircraft are being considered for active duty that would result in downsizing for Gowen Field. Although the Idaho National Guard has an excellent track record, they are facing some challenges for future missions. Efforts are being made to keep those missions in Idaho but if the missions do go away, they want to ensure that Idaho will have good replacement missions. The issues are all budget driven and not performance based.

Senator Winder thanked Maj. Gen. Saylor and the officers that were with him for their service. He referred to a recent visit from the Secretary of the Air Force (Secretary) and asked if Maj. Gen. Saylor received a brief on that visit. **Maj. Gen. Saylor** responded that he participated in the entire visit. The delegation that met with the Secretary talked about the aircraft retirement plans and the related fallacies about moving the Air Guard to Mountain Home. **Maj. Gen. Saylor** explained how such a move would ultimately affect Gowen Field in a negative way and emphasized the need for another mission at Gowen Field.

Senator Winder asked what discussions occurred about a potential new mission and an F-35 training squadron. **Maj. Gen. Saylor** replied that the next round of F-35 basing will be held in the Summer. Four bases will be selected; two in the Air Guard and two in the active service. Infrastructure, airspace and flying weather make Idaho a strong contender. Political leadership must be convinced.

Senator Johnson (Lodge) asked if there are any future plans about replacing the A-10s. **Maj. Gen. Saylor** answered that the F-35 is the replacement for the A-10s and F-16s. He outlined all the reasons for that change and the controversy surrounding that decision.

Senator Johnson (Lodge) asked how many pilots will be lost with the retirement of the A-10 versus those that will fly the F-35s if Idaho gets that unit. **Maj. Gen. Saylor** stated that there would be some transition of pilots and personnel but the numbers should remain relatively the same. There could be an increase because of the capability and technology of the airplane.

Senator Lakey inquired if the F-35 is the plan for the secondary mission; if Idaho does not get the F-35, is there another mission that would be pursued? **Maj. Gen. Saylor** answered that his primary objective is to maintain a manned-flying mission at Gowen Field. Any good, viable, long-flying mission would be acceptable but it makes the most sense for the Air Force to put a fighter mission here.

Chairman McKenzie thanked Maj. Gen. Saylor for appearing before the Committee.

**PAGE
GRADUATION:**

Laura Hahn, Graduating Page

Chairman McKenzie called Miss Hahn to the podium. He noted that Miss Hahn always asked if there was anything else she could do and that she has been very helpful to the Committee Secretary. He awarded her a letter of recommendation, a letter signed by all the Committee members thanking her for her service and a State watch in appreciation for her work. He asked her to tell the Committee about her future plans. **Miss Hahn** thanked each of the Senators for this experience. She learned about how a bill is processed; seeing it first hand rather than reading about it has been very educational. She plans to go to the Bible Institute this fall. That will take three years to complete. After graduation she plans to go to the College of Western Idaho to get a secretarial degree.

Senator Winder stated that it was his pleasure to sponsor Laura and acknowledged Mr. Hahn, her father, who was present in the audience.

ADJOURNED:

Chairman McKenzie adjourned the meeting at 8:34 a.m.

Senator McKenzie, Chair

Twyla Melton, Secretary