

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Monday, February 22, 2016

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman McKenzie, Vice Chairman Lodge, Senators Davis, Hill, Winder, Lakey, 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. with a quorum present.

HCR 30 STATING FINDINGS OF THE LEGISLATURE honoring Idaho author Anthony Doerr for his award-winning work.

Chairman McKenzie introduced **Representative Rubel** who explained that the purpose of **HCR 30** was to honor author Anthony Doerr. She summarized Mr. Doerr's many accomplishments and many awards for published works, specifically the Pulitzer Prize.

MOTION: **Senator Davis** moved to send **HCR 30** to the floor with a **do pass** recommendation. **Senator Stennett** seconded the motion. The motion carried by a **voice vote**.

S 1212 RELATING TO THE EMERGENCY COMMUNICATIONS ACT to establish the Idaho Public Safety Communications Commission (Commission) by consolidating governance for emergency and public safety communications.

Chairman McKenzie introduced **Brig Gen Brad Richy**, Idaho Bureau of Homeland Security, who explained that **S 1212** reorganizes and updates the Public Safety Communications system to allow texts and calls from cellular phones and it addresses service issues during an emergency situation. He explained the current system and Idaho Code pertaining to specific parts of the system, including recently added parts of the system that are not addressed in any Idaho Code. **Brig Gen Richy** stated that **S 1212** merges three existing organizations with 52 duplicative members into one organization with 18 members. He explained that this legislation is the result of 18 months of committee and subcommittee work; it reduces duplication, maintains local control and maintains the funding mechanism. He presented a map showing existing districts and enumerated the reorganization outcomes. He discussed associations supporting and opposing this legislation and how the Governor would select the members of the Commission (see attachment 1).

Senator Stennett described the benefits of this legislation for her district and asked that the letter in the packet from the City of Ketchum be disregarded because the issues had been addressed by Brig Gen Richy.

Senator Davis spoke about his concerns regarding the elimination of three members detailed on page 8. **Brig Gen Richy** stated that the public sector was included in all discussions of committee work and is considered a great resource.

MOTION:

Senator Hill moved to send **S 1212** to the floor with a **do pass** recommendation. **Senator Winder** seconded the motion.

Senator Davis applauded the work involved in the production of the legislation but stated he does not support some of the final conclusions; he has specific concerns about the private sector. He further voiced his opinion about how the committee's controlling operations were staffed with government personnel while the private sector experts were relegated to a subcommittee. He recommended that those in the "industry" be advisors to the "government."

Senator Winder recalled meetings he attended a few weeks before the terrorist attacks of September 11, 2001, and agreed with Senator Davis; the private sector needs to play a role. **Senator Winder** stated that **S 1212** is a positive step in the right direction.

Senator Hill expressed his confidence with the makeup of the Committee and their ability to call on the private sector for consultation. **Brig Gen Richy** assured the Committee that the private sector would be consulted.

The motion carried by a **voice vote**.

S 1299

RELATING TO ELECTIONS CAMPAIGN CONTRIBUTIONS AND EXPENDITURES to increase election transparency by requiring all candidates to report campaign finances.

Chairman McKenzie welcomed Senator Souza to the Committee. **Senator Souza** stated that **S 1299** would increase the reporting requirements for campaign finances at all State and local elections. She explained that the electorate deserves to know sources of support and influence for candidates and ballot measures. **Senator Souza** reviewed State requirements and said that reporting at the local level was inconsistent. She discussed concerns raised by opponents to the bill that the reporting requirement would discourage qualified, local candidates from participating in an election. She reviewed the required forms used by candidates for State office and evaluated their ease of use. She explained the additional costs involved, stating her research indicated the cost would not be significant. She expressed her hope that the Secretary of State website could be used for counties and local entities for elections with a copy kept at the county level.

Senator Stennett asked if there was currently a dollar threshold for reporting at city, county and lower levels. **Senator Souza** replied that there is no requirement for many elections and none for local ballot measures. **Senator Stennett** asked what the burden of campaign finance reporting would be for very small towns and inquired if a limit for reporting had ever been discussed while drafting the legislation. **Senator Souza** said that a limit had been considered, but argued that without required certification the reporting would be honor-based.

Senator Davis asked whether full disclosure should be considered in lieu of the exemptions contained in the definitions. **Senator Souza** clarified that the definitions were standard definitions in current election laws. **Senator Davis** warned about existing definitions and pointed out conflicts contained therein. He further questioned the stricken language referring to review of reports by the Attorney General. **Senator Souza** said that a different person would review expenditures at the local level.

Senator Davis questioned how far "down" the requirements to disclose campaign funds would go; for example, would irrigation districts be exempted? **Senator Souza** referenced Idaho Code § 34-1401, the Uniform District Election Law that exempts some local entities. **Senator Davis** then asked about the small city exception. **Senator Souza** replied that the small city exception would

be repealed with this legislation. Further discussion ensued concerning elections included in this legislation. **Senator Davis** questioned why an emergency clause was in place. **Senator Souza** answered that a good year to implement this legislation would be during a major election.

Senator Lodge asked when the technology would be available on the Secretary of State website. **Senator Souza** answered that it was a matter of budget and information technology (IT) staff. **Senator Lodge** wondered about the cost for the upgrade. **Senator Souza** indicated that the Secretary of State would bear the cost. **Senator Lakey** called attention to the section addressing city exemptions contained in Idaho Code § 50-420; this legislation should include a repeal of that section. He concurred with a requirement that political action committees report any expenditure and not just those exceeding \$500.

Chairman McKenzie introduced **Tim Hurst** from the Secretary of State's office.

Senator Hill referred to the certification on the Campaign Financial Disclosure Report and asked what the consequences would be if someone is untruthful when filing the report. **Mr. Hurst** referenced the Sunshine Law and indicated that prosecution resulting in a misdemeanor would occur. He referenced Idaho Code § 67-6625. **Senator Hill** asked if campaign finances funded by the candidate would appear on the Campaign Financial Disclosure Report. **Mr. Hurst** answered yes. Further discussion ensued concerning low-level expenditures and this legislation.

Senator Stennett stated that small communities don't have staff for this legislation and asked what the Secretary of State's responsibility would be in relation to small communities. **Mr. Hurst** said the responsibility would be born by the local districts and counties. The Secretary of State's office would do the training. **Senator Stennett** asked what the additional expense to counties would be and the possible expense to the Secretary of State's office. **Mr. Hurst** indicated that the expense would vary based on the counties involved and that costs to the Secretary of State's office would be dependent upon the structure required.

Senator Davis questioned Idaho Code § 34-1401 in relation to this legislation and the administration of elections by county officials. **Mr. Hurst** stated this section is in reference to the Sunshine Law and that this legislation would be applicable to only those covered under Idaho Code § 34-1401. Further clarification was requested by **Senator Davis**, with an interpretation of Idaho Code § 34-1401 by **Mr. Hurst**.

Senator Hill reviewed additional sections of Idaho Code pertaining to elections that seemed to be in violation of the proposed legislation.

Chairman McKenzie stated that he was in agreement with Senator Davis' interpretation about the ambiguity of those required to file reports by the proposed legislation.

TESTIMONY:

Karen Echeverria, Idaho School Boards Association, stated that she was representing school boards and the trustees who govern them. She spoke in opposition to **S 1299**. She stated trustees in all districts in Idaho are volunteer and receive no compensation for their time. **Ms. Echeverria** stated that most trustees fund their own campaigns, and this legislation might make those positions even more difficult to fill.

Justin Ruen, Association of Idaho Cities, spoke in opposition to **S 1299**. He stated he had worked closely with cities on elections for the past 15 years. He cited the current requirement for campaign finance reporting for cities with population over 5,000. **Mr. Ruen** enumerated the challenges this legislation

poses for those in small cities, some work part time, most are employed full time, and many have families; this legislation would put an unnecessary burden upon them.

Dan Blocksom, Idaho Association of Counties Policy Analyst, spoke in support of the transparency sought with **S 1299**, but opposes the bill in its current form. He stated two reasons for opposition of the bill: 1) the additional personnel costs to the counties and 2) the possibility of discouraging candidates because of the requirements. **Mr. Blocksom** suggested forms that could be filed and viewed online, and suggested a threshold amount be set to require a report.

Senator Winder asked Mr. Blocksom if he saw any difference between ballot measures and candidates with this legislation. **Mr. Blocksom** could not speak specifically to ballot measures.

Stuart Davis, Executive Director, Idaho Association of Highway Districts, spoke in opposition to **S 1299** for previously enumerated reasons.

John Watts, Veritas Advisors, spoke on behalf of the Idaho Library Association, which opposes **S 1299**. This legislation would deter potential candidates in small communities. **Senator Hill** asked if trustees are currently exempt from reporting and where in Idaho Code that exemption exists. **Mr. Watts** said it is assumed that library boards are exempt.

Senator Souza thanked the Committee and those that testified. She recognized that change is difficult and asked if trust and belief in our system of elections would be worth the change. She summarized prior testimony, agreeing that the election packet could be considered intimidating and suggested that a "quick-start" page be included at the beginning of the election packet with concise directions for those reporting election contributions. She stated that any additional staffing and cost would be worth it if it increased voter confidence in the election system.

Senator Winder commented that ballot measures are sometimes bitterly opposed when voters do not know where the money comes from. He stated that if the electorate knew the origin of the funding, there might be a positive impact upon public trust.

MOTION:

Senator Winder moved to send **S 1299** to the amending order. **Senator Lakey** seconded the motion.

Senator Davis indicated he originally intended on supporting the legislation. However, at this time he wouldn't support the motion because the legislation was in need of further public consideration beyond the amending order. He reviewed each section of the legislation and cited problems.

Senator Lakey recalled past local elections where large sums of money were used in an attempt to influence the outcome; transparency would have been helpful. He further stated how smaller cities handle large budget amounts and therefore should have transparency in elections.

Senator Hill complimented Senator Souza for championing accountability and pointed out statutes that are in conflict with the bill. He suggested a dollar amount be required for reporting instead of population numbers.

Senator Stennett praised Senator Souza and spoke about giving even the smallest elections guidance about reporting but expressed reluctance to support the legislation because of language conflicts.

Senator Lodge thanked Senator Souza for her attention to transparency and expressed concerns about the definition of "expenditure." She stated there needed to be further work to clarify election laws, making it more inviting for those seeking candidacy in smaller districts. She expressed her reluctance to support **S 1299**.

Senator Winder reiterated his support of this legislation and suggested a radiator cap approach to make the changes discussed.

The motion failed by a **voice vote**.

RS 24427 STATING FINDINGS OF THE LEGISLATURE and recognizing National Women's History Month.

Senator Buckner-Webb introduced **RS 24427** as a resolution that would establish March 2016 as Women's History Month in Idaho, recognizing the profound economic, cultural and social contributions of women past and present. She recounted the history of Women's History Month in the United States and reviewed the purpose of this legislation (see attachment 2).

MOTION: **Senator Winder** moved to send **RS 24427** to print. **Senator Hill** seconded the motion. The motion carried by a **voice vote**.

RS 24546 RELATING TO THE IDAHO LIMITED ARTICLE V CONVENTION ACT to provide for selection and exercise of authority for Idaho delegates. This bill does not call for a convention.

MOTION: **Senator Davis** moved to send **RS 24546** to print. **Senator Lakey** seconded the motion.

Chairman McKenzie announced that there will be further work to see if the Committee will or will not support the bill if it comes back to this Committee.

The motion carried by a **voice vote**.

INTRODUCTION OF PAGE: **Chairman McKenzie** announced that the Committee has a new page and invited Luke Henrie to step to the podium. **Chairman McKenzie** pointed out that Mr. Henrie is from Nampa and Chairman McKenzie is his sponsoring Senator. Mr. Henrie graduated from Boys State, is an Eagle Scout and attends city council meetings. He read an excerpt from Mr. Henrie's application letter. **Chairman McKenzie** asked him to tell the Committee about school and what his plans are after finishing the Page Program.

Mr. Henrie responded that after graduating from high school and he plans to attend the University of Idaho to study political science before attending law school. Observing the Senate is helpful and he is learning a lot. His Eagle Scout project was the Veteran's History Project. He interviewed veterans, and took their accounts of what they did while serving in the military; the result of his efforts is now documented in the Library of Congress and open to the public for scholarly use.

ADJOURNED: There being no further business, Chairman McKenzie adjourned the meeting at 10:11 a.m.

Senator McKenzie, Chair

Twyla Melton, Secretary

Assisted by Marian Smith