

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Monday, January 29, 2024

**TIME:** 1:30 P.M.

**PLACE:** Room EW41

**MEMBERS:** Chairman Clow, Vice Chairman Ehlers, Representatives Crane(13), Palmer, Barbieri, Dixon(1), Andrus, Furniss, Mitchell, Cornilles, Crane(12), Lanting, Petzke, Redman, Berch, Green, Rubel

**ABSENT/  
EXCUSED:** Reps. Barbieri, Petzke

**GUESTS:** The sign-in sheet will be retained in the committee secretary's office; following the end of session the sign-in sheet will be filed with the minutes in the Legislative Library.

**Chairman Clow** called the meeting to order at 2:00 p.m.

**MOTION:** **Crane(12)** made a motion to approve the minutes of the January 23, 2024 meeting. **Motion carried by voice vote.**

**RS 30819:** **Rep. Wheeler** presented **RS 30819** proposed legislation to amend Idaho Code to allow for an exemption from licensure for subcontractors performing work on a project managed by a licensed public works contractor in certain circumstances in addition the legislation would eliminate the Class D licensure.

**MOTION:** **Rep. Redman** made a motion to introduce **RS 30819**. **Motion carried by voice vote.**

**Chairman Clow** turned the gavel over to **Vice Chairman Ehlers**.

**DOCKET NO.  
12-0104-2301:** **Vice Chair Ehlers** introduced **Anthony Polidori**, Deputy Director, Idaho Department of Finance who explained the proposed rule changes simplify language and remove unnecessary requirements.

**Vice Chair Ehlers** opened the legislation to public testimony. No one indicated their desire to testify.

**MOTION:** **Rep. Andrus** made a motion to approve **Docket No.18-0104-2301**. **Motion carried by voice vote.**

**DOCKET NO.  
12-0108-2301:** **Vice Chair Ehlers** introduced **Anthony Polidori**, Deputy Director, Idaho Department of Finance. Mr. Polidori explained the proposed rule changes remove unnecessary language, clarify definitions, and remove unnecessary requirements.

In response to committee questions **Mr. Polidori** explained a prospectus is still required when registering a security with the department. He further shared while obtaining pre-approval for advertising would no longer be required, records of the advertising must be retained and are subject to review at any time by the department. The department will rely on their supervisory activities and periodic examinations to detect fraudulent advertising. He also explained those entities which intend to use false advertising to mislead the public do not seek advance approval from the department for those fraudulent advertising efforts. He expanded it is already illegal to fraudulently misrepresent a security or offering of a security via the **Uniform Securities Act**. In addition, many investment advisors are registered representatives of firms and must obtain advertising pre-approval from their affiliates already. The Department of Finance protects the public with a three-pronged approach: direct supervision, consumer complaint process, and

monitoring. **Rep. Furniss** expressed support for the advertising change noting businesses would appreciate not being held up by the onerous rule.

**Vice Chair Ehlers** opened the legislation to public testimony. No one indicated their desire to testify.

**MOTION:** **Rep. Redman** made a motion to approve **Docket No. 12-0108-2301**.

During discussion on the motion, **Rep. Berch** shared concern by not requiring pre-approval on advertising may also eliminate a potential deterrent for fraud. He would rather see an increase of resources instead of eliminating the rule and will not support the motion.

**VOTE ON MOTION:** **Motion carried by voice vote. Rep. Berch** requested he be recorded as voting **NAY**.

**DOCKET NO. 12-0110-2301:** **Vice Chair Ehlers** introduced **Anthony Polidori**, Deputy Director, Idaho Department of Finance. Mr. Polidori explained the proposed rule changes clarified language, removed unnecessary requirements and removed rules which duplicated authorities already found within the **Idaho Residential Mortgage Practices Act**.

In response to committee questions, **Mr. Polidori** explained the rules will contain hyperlinks to cited regulations so the consumer may click through to read the current federal code.

**Vice Chair Ehlers** opened the legislation to public testimony. No one indicated their desire to testify.

**MOTION:** **Rep. Lanting** made a motion to approve **Docket No. 12-0110-2301. Motion carried by voice vote.**

**Vice Chair Ehlers** returned the gavel to **Chairman Clow**.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:45 p.m.

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Representative Ehlers  
Chair

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Michelle A Anderson  
Secretary