

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Tuesday, January 17, 2012

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

**PLACE:** Room EW41

**MEMBERS:** Chairman Black, Vice Chairman Henderson, Representative(s) Collins, Bilbao, Chadderdon, Crane, Patrick, Bayer, Palmer, Thompson, Barbieri, DeMordaunt, Guthrie, Batt, Smith(30), Rusche, Cronin

**ABSENT/  
EXCUSED:** None.

**GUESTS:** Jared Bauer and Jenni Herberg, Idaho Business Council; Joie McGarvin, Westerberg & Associates; Jesse Taylor, Crown Cork & Seal; John Eaton, Idaho Association of Realtors; Kurt Stenbridge, Glaxo Smith Klein Pharmaceuticals

**Chairman Black** called the meeting to order at 1:30 p.m.

**MOTION:** **Rep. Bilbao** moved to approve the minutes of January 11, 2012. **Motion carried by voice vote.**

**RS 20851:** **Rep. Brent Crane** presented **RS 20851**, legislation dealing with the problem of companies that are liable, as successor corporations, for asbestos abatement. Rep. Crane explained that a company bought out one of its competitors, with a purchase price of \$7 million. The purchasing company was later faced with claims over asbestos abatement, although at the time of purchase the company had no idea there was a division of the business that previously manufactured asbestos. The company has thus far paid out \$700,000 in settlement of the claims. This legislation will limit damages in such asbestos cases to the total price paid by the purchasing company, adjusted for inflation.

Responding to committee questions, **Rep. Crane** said the legislation addresses only asbestos-related problems, and the upper cap on damage claims is per suit filed, not a total for all claims. Asked whether a purchasing company should do better due diligence in order to anticipate such claims, Rep. Crane said the asbestos division of the company being purchased was not even on their books because it was an inactive division. He also stated he does not believe this legislation will offer protection to a company that might decide to form a shell company in order to buy their asbestos-producing company. It is specifically limited to asbestos damages and will not apply to other chemicals that may be determined to be hazardous in the future.

**MOTION:** **Rep. Patrick** made a motion to introduce **RS 20851**. **Motion carried by voice vote.** **Rep. Rusche** requested that he be recorded as voting **NAY**.

**RS 20788:** **Dave Curtis**, Executive Secretary of the Board of Professional Engineers and Professional Land Surveyors, presented **RS 20788**. Mr. Curtis explained the three objectives of the RS, namely: 1) It restricts assignment for initial licensure or certification exams to residents of Idaho or students at Idaho universities. 2) It gives the Board authority to postpone action on an application if the applicant has unresolved disciplinary charges in another jurisdiction. 3) It modifies the application process to allow applications to be made digitally, by removing the requirement that an application be made under oath. Mr. Curtis said the legislation is supported by the Idaho Society of Professional Engineers, the Idaho Society of Professional Land Surveyors, and the American Council of Engineering Companies-Idaho.

Answering questions from the committee, **Mr. Curtis** said the legislation does provide the Board with some latitude in addressing the case of residents who may live in bordering states such as Washington or Oregon but work full-time in Idaho. He said the legislation is aimed at curbing unethical practices such as acquiring an initial license in Idaho with no intention of ever practicing here. Mr. Curtis said he would bring further information about reciprocity when he presents the bill to the committee.

A concern was raised about the use of the term "may" instead of the term "shall" on page 3, lines 36-43. **Mr. Curtis** said he would probably have no objection if the term "may" was changed to "shall" in this section of the bill, and noted that the number of these cases is small.

**MOTION:** **Rep. Collins** made a motion to introduce **RS 20788**. **Motion carried by voice vote.**

**RS 20816:** **Mr. Curtis** then presented **RS 20816**. He explained that under current law a subdivision can be platted with only exterior boundary monuments placed; if this takes place, a bond or a cash deposit to the city or county is required to assure that the interior monuments will be set by a time certain. If the original surveyor is not able to set the interior monuments later, this legislation will allow a substitute surveyor employed by the same business entity to set the monuments. The substitute surveyor would also be required to file a Record of Survey. This legislation has the support of the Idaho Society of Professional Engineers, the Idaho Society of Professional Land Surveyors, and the American Council of Engineering Companies-Idaho.

**MOTION:** **Rep. Rusche** made a motion to introduce **RS 20816**. **Motion carried by voice vote.**

**PRESENTATION:** **Jared Bauer**, Founder and Executive Director of the Idaho Business Council, appeared before the committee to present information on the Council's formation and its work. Mr. Bauer introduced **Jenny Herbert**, CEO of the Idaho Business Council, and several members of the Board of Directors who were in attendance.

**Mr. Bauer** testified that the Idaho Business Council is unique because this kind of effort has not been tried in other states. It provides a new way of doing research on topics that are business and economic-related and creates a partnership among the Legislature, Idaho's three major universities, and the business community. Business and economic issues affecting job creation and economic growth can be identified and researched. Mr. Bauer stated that the Council is different from other business organizations in a number of ways. First, it is research-oriented and will not serve as a lobbying organization. Second, it doesn't represent a single industry but rather provides a statewide approach to all businesses. Third, it requires the involvement of members of the Legislature. Fourth, it is closely tied to Idaho's major universities and requires their involvement.

**Mr. Bauer** said that, as Utah's, Oregon's, and Washington's median incomes have continued to rise, Idaho's median income has not. While many believe that not much action can be taken to affect this condition, the Idaho Business Council aims to take a proactive approach to increase jobs and help bolster Idaho's economy. The Council is unbiased, nonpartisan, and nonprofit, and will require equal representation by region and industry.

**Jenni Herbert**, CEO of the Idaho Business Council, outlined the process that will be used by the Council to identify business topics for research each year. She said legislators will be asked to appoint two members from their districts to become part of the Council, and will have an opportunity to identify the top economic issues for

the year. These will be narrowed down to the top three issues. The universities will then design research projects for both faculty and graduate students to develop solutions. Ms. Herbert said the university deans are excited about the potential for this project to create research in Idaho, for Idaho.

**Ms. Herbert** listed the members of the Executive Board, who represent many types of businesses and industries in Idaho. She encouraged members of the committee to visit the website, [www.idahobusinesscouncil.org](http://www.idahobusinesscouncil.org), which contains complete information about the Council. She said the Council is asking for a three-year commitment from legislators, and is asking each of them to pick two delegates from their districts. These selections would ideally be made by late spring of 2012.

In response to questions from the committee, **Ms. Herbert** and **Mr. Bauer** said the community colleges were not included in the initial plan but could be in the future, after the program is well established. All funding for this project will be from private sources; there are no tax dollars involved. However, the project needs the Legislature's support in order to engage in further fund-raising efforts.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:35 p.m.

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Representative Max C. Black  
Chairman

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MaryLou Molitor  
Secretary