

MINUTES  
**HOUSE TRANSPORTATION & DEFENSE COMMITTEE**

**DATE:** Wednesday, February 22, 2012  
**TIME:** 1:30 P. M. or Upon Adjournment of the House  
**PLACE:** Room EW40  
**MEMBERS:** Chairman Palmer, Vice Chairman Ellsworth, Representative(s) Wood(35), Smith(24), Bedke, Wills, Hart, Nonini, Hagedorn, Bateman, Henderson, Nessel, Ringo, King, Killen  
**ABSENT/  
EXCUSED:** Representative Wills  
**GUESTS:** Bob Wells, Idaho Bureau of Homeland Security (BHS); Eddy Goldsmith, Idaho Emergency Communications Commission (IECC); Mark Lockwood, Statewide Interoperability Executive Council (SIEC); David Doeringsfeld, Port of Lewiston; Amy Smith, Mollie McCarty, Idaho Department of Transportation (ITD); Angela Richards, Allstate Insurance Co., American Family Insurance Co., and Farm Bureau Mutual Insurance Co.; Paul Jackson, Farmers Insurance; Barbara Jordan, Idaho Trial Lawyers Association; Mike Kane, Property Casualty Insurance Association of America, (PCIAA).

**Chairman Palmer** called the meeting to order at 2:52 P.M.

**Mark Lockwood** Chairman, (SIEC), presented the Annual Report. In 2011 the SIEC reorganized and appointed members from each of the Six District Interoperability Governance Boards (DIGBs) to enhance coordination of information and resources across the State. In 2011 SIEC formed a Business Plan, an Operational Plan and a Strategic Plan. These components will provide the means for future funding sources and operational needs. Their Operation Plan establishes standards statewide for management of the system and addresses situations where there is disparity. The addition of thirteen sites will provide statewide coverage. The SIEC operates on an annual budget of approximately \$100,000, sub granted by the (BHS) from federal U.S. Dept. of Homeland Security grants.

**Rep. Hagedorn** noted that SIEC operates at 17% capacity, using micro wave and fiber optic. This network is shared with Idaho Education Network, so serves a dual purpose.

**H 540:** **Rep. Thompson** presented **H 540** an Online Insurance Verification Program. Thirty-two states use information from the insurance industry and require insurance companies to report information about their insureds. This bill creates a real time response capability to verify existence of motor vehicle insurance coverage. This program will be available to law enforcement, Department of Transportation, Department of Insurance and the courts. If a person is verified as having coverage under the system, they will not be subject to an infraction for failure to carry proof of insurance.

**Rep Thompson** said a citizen could not verify his own insurance with this system. If the police officer finds him in violation, the citizen has recourse through the courts. In answer to how this will save the State money. Rep Thompson said this saves police time writing a ticket, and court time, approximately \$10 per ticket. Police write 66,000 tickets per year and 13,000 are dropped because the citizen gave proof of insurance or otherwise mitigated the ticket. When asked about the fine for insurance infraction, **Amy Smith**, ITD, said it is \$150 including court costs. The committee asked if the \$100,000 of fiscal impact comes from the General Fund or ITD. **Paul Jackson** Farmers Insurance, said the cost will come from ITD. In answer to a question about which insurance companies will participate, Mr. Jackson said all 750 insurance companies in Idaho will be required connect to this system.

**Paul Jackson**, Farmers Insurance Group, **Mike Kane** (PCIAA), and **Angela Richards** representing Allstate Insurance Co., American Family Insurance Co., and Farm Bureau Mutual Insurance Company, spoke **in support** of **H 540**. This bill is designed to allow the insurance industry and the ITD to cooperatively build an online insurance verification system that will allow a prompt response to law enforcement to verify the existence of insurance coverage and protect customers' information. Previously in order to get the information from insurer to administration, every insurance company gave a vendor their book of business each month. This method is very expensive. County assessors could also be granted access to the system at the time the vehicle is registered.

**Barbara Jordan**, Idaho Trial Lawyers Association, spoke **in opposition** to **H 540** because of concern about a line which states: 'being immune from civil or administrative liability.' which is too broad and should have added, "if they comply to this section."

The committee asked if insurance infraction is a primary offense. **Mr. Kane** said yes, having no insurance is a primary offense, so the vehicle can be pulled over for no other reason.

**ORIGINAL MOTION:**

**Rep. Bateman** made a motion to send **H 540** to the floor with a **DO PASS** recommendation.

**SUBSTITUTE MOTION:**

**Rep. Hart** made a substitute motion to send **H 540** to General Orders.

**VOTE ON SUBSTITUTE MOTION:**

**Chairman Palmer** called for a vote on the substitute motion to send **H 540** to General Orders. **Motion carried by voice vote.** **Rep. Thompson** will sponsor the bill on the floor.

**H 472:**

**Rep. Nessett** presented **H 472** which creates a new special license plate, the Idaho Sesquicentennial License plate. It is believed that many communities will participate in this celebration of Idaho becoming a territory. There is a slight issue on what agency would make payments to the historical societies of each county.

**MOTION:**

**Rep. King** made a motion to send **H 472** to the floor with a **DO PASS** recommendation. **Motion carried by a voice vote.** **Rep. Smith (24)** and **Rep. Wood (35)** asked to be recorded as **NAY**.

**Eddy Goldsmith**, Program Manager for IECC, presented the Annual Report. In 2011 the Legislature passed Enhanced Grant Fee Awards to provide funding for 911-Center upgrades in 2012. This allowed for all of the 46 Public Safety Answering Points (PSAP) to be operating with 911 or migrating to E911. (E911 Enhanced 911). ECC has 36 counties participating. The revenue source is \$1.7 million a year. There are four phases to 911. The basic phase is only able to receive calls; the next phase is able to get a phone number, address, name of person and/or agency responsible to respond; the third phase has ability to locate a cell phone tower; and the fourth phase has the ability to locate the caller. By the end of their grant fee period, which will sunset in 2014, all 911 centers should have the third phase.

ECC's next goal is to have a new generation of 911 for a statewide solution. The biggest issue will be addressing city master-street guides which must be 99% accurate. The Commission will identify cyber security in those systems. Congress approved a bill for 911 funding of \$115 million nationwide. Idaho's share will be \$1 million.

**David Doeringsfeld**, Manager, Port of Lewiston, presented an update from the Port. Mr. Doeringsfeld said in this difficult economy the Port has been fortunate. Conoco cargo and Exxon cargo had an impact, which benefited the economy in north central Idaho. However, there has been a significant decrease in container volume for the port. Intermodal transportation in Lewiston includes river, rail and roads. The river issue is dock expansion, the Port has been working on the permitting process for eighteen months, and construction should begin in July 2013. Another issue has been the transporting of over-legal loads. Exxon had to cut their modules in half horizontally to transport them to Canada. There would have been thirty-six loads, but the number increased to 102. This was five times the volume, which created a traffic safety problem. ITD did a great job in following the law and planning this project. As to rail issues, north central Idaho is geographically challenged. This area is a box canyon with no rail from Potlatch to Boise. The road issue will be to keep the roads open for commerce. The economic benefit for the Port expansion is not just the cargo, but the newly created jobs such as welding, pipe fitting and local vendors.

**ADJOURN:** There being no further business before the committee, the meeting was adjourned at 4:20 P.M.

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Representative Palmer  
Chair

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Jane Clark  
Secretary