

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
10:00 A.M.  
Room EW40  
Wednesday, January 11, 2012

SUBJECT	DESCRIPTION	PRESENTER
	Organizational Meeting	
	Discussion of Rules Process	Vice-Chairman Crane

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, January 11, 2012

**TIME:** 10:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Stevenson, Black and Anderson.

**GUESTS:** Dennis Stevenson, Administrative Rules Office.

**Chairman Loertscher** called the meeting to order at 10:02 a.m.

**Chairman Loertscher** welcomed the committee back for the 2012 session and introduced the new secretary and page. He encouraged everyone to get their legislation in as soon as possible.

**Vice Chairman Crane** was recognized for the purpose of assigning subcommittees for review of administrative rules.

There will be two subcommittees for reviewing rules. The Chairmen will be **Rep. Batt** and **Rep. Sims**. The Committees are as follows:

**Chair Rep. Batt**

Rep. Simpson  
Rep. Palmer  
Rep. Luker  
Rep. Higgins

**Chair Rep. Sims**

Rep. Guthrie  
Rep. Henderson  
Rep. Bilbao  
Rep. Buckner-Webb

**Rep. Batt's** committee will review the **State Athletic Commission** rules IDAPA 03; the **Idaho State Liquor Division** rules IDAPA 15; the **Idaho Public Utilities Commission** rules IDAPA 31; and the **Idaho State Lottery Commission** rules IDAPA 52.

**Rep. Sims'** committee will review the **Secretary of State** rules IDAPA 34; the **Department of Administration** rules IDAPA 38, and the **Office of the State Treasurer** rules IDAPA 54.

**Chairman Loertscher** outlined the responsibilities of State Affairs this session which will include reviewing some of the agencies the committee oversees as well as election issues.

In response to committee questions, **Vice Chairman Crane** stated the rules will be available on-line but the committee secretary has printed copies in her office if the subcommittee members would like one. Vice-Chairman Crane substituted **Rep. Buckner-Webb** in place of **Rep. McGeachin** for the second subcommittee.

There was a brief discussion among the committee regarding the next possible meeting and time. **Chairman Loertscher** reminded the committee that he will be calling the meetings to order on time.

**ADJOURN:**

There being no further business to come before the committee the meeting was adjourned at 10:12 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

**AMENDED #2 AGENDA**  
**HOUSE STATE AFFAIRS COMMITTEE**  
**9:30 A.M.**  
**Room EW40**  
**Tuesday, January 17, 2012**

<b>SUBJECT</b>	<b>DESCRIPTION</b>	<b>PRESENTER</b>
<a href="#"><u>RS20766</u></a>	Admission to Idaho State Veterans Homes for Parents Whose Child Died While Serving in the Armed Forces	Tamara Mackenthun Division of Veterans Services
<a href="#"><u>RS20779</u></a>	Revise Interest Rate for Certain Violations Relating to Mineral Extractions on State Lands	Larry Johnson Department of Lands Endowment Fund
<a href="#"><u>RS20837</u></a>	Revised Provisions and Technical Corrections for Liquor Division	Jeff Anderson Idaho State Liquor Division

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

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

**TIME:** 9:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None.

**GUESTS:** Tamara Mackenthun, Division of Veterans Services; Jeff Anderson, Idaho State Liquor Division; Charles Stark, Occupy Boise; Chris Halvorson, Endowment Fund Investment Board; Larry Johnson, Endowment Fund Investment Board; Patrick Hodges, IDL; Jan Sylvester; Jared Tatro, OPE.

**Chairman Loertscher** called the meeting to order at 9:30 a.m.

**RS20766** **Tamara Mackenthun**, representing Idaho's Division of Veterans Services, presented **RS20766** to the committee. She explained this legislation expands the admission criteria for Idaho State Veterans Homes. Federal law has been changed from all to any parents whose child died while serving in the armed forces. She predicts there will be little to no effect with Idaho coming in line with the federal law. Admission to Veterans Homes is held to 25% for spouses and parents. The state receives a per diem charge for these residents from the U.S. Department of Veterans Affairs (USDVA). Veterans always have preference for admission to the homes.

In response to questions from the committee, Ms. Mackenthun clarified that if the home is at capacity and a veteran is returning home, parents already residing in the home are not asked to leave. The Division of Veterans Services places veterans in contract homes and then moves them into Idaho State Veterans Homes as space becomes available. She further explained that the population of the homes is very fluid and they have openings on a weekly basis. This legislation affects a small number of people. She noted there have been less than 20 gold star license plates issued for parents of a child who died while serving in the armed forces.

**MOTION:** **Rep. King** made a motion to introduce **RS20766**. **Motion carried by voice vote.**

**RS20779** **Larry Johnson**, Manager of Investments for the Idaho Department of Lands Endowment Fund, presented **RS20779** to the committee. He explained this legislation will make a minor adjustment to the interest rate when a person owes the Endowment Fund for extracting minerals whether accidentally or intentionally on state lands. The current method used to calculate damages was put into place when endowments were invested 100% in fixed income. This legislation will change the interest rate to the rate set annually by the State Treasurer for legal judgments. He noted that collection of interest for these violations are a rare occurrence.

**MOTION:** **Rep. Luker** made a motion to introduce **RS20779**. **Motion carried by voice vote.**

**RS20837**

**Jeff Anderson**, Director of the Idaho State Liquor Division, presented **RS20837** to the committee. He explained the purpose of this legislation is to make housekeeping changes to Title 23 and there is no fiscal impact. He further clarified that the purpose is to modernize the language and end references that date back to the end of prohibition. The legislation will remove language relating to the position of Secretary as well as the duties of the Secretary. The Idaho State Liquor Division is not a commission but a division of the Office of the Governor. There is no in-house counsel, servants or inspectors. He explained the legislation will also remove or delete any language referring to vendors.

In response to questions from the committee, Mr. Anderson explained that the Idaho State Liquor Division establishes and maintains liquor stores and owns all of the products. The Idaho State Liquor Division does not then sell the products back through the use of vendors.

**MOTION:**

**Rep. Smith** made a motion to introduce **RS20837**. **Motion carried by voice vote.**

**Chairman Loertscher** stated the committee would be meeting on Wednesday, January 18th at 9:30 a.m.

**ADJOURN:**

There being no further business before the committee; the meeting was adjourned at 9:42 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Wednesday, January 18, 2012

SUBJECT	DESCRIPTION	PRESENTER
Presentation	An Analysis of State Agency Rulemaking 2009-2012	Jack Lyman Idaho Mining Association
<a href="#">RS20975C1</a>	Prohibit Camping on Capitol Mall Properties and Other State Facilities and to Provide Penalties and Authority to Law Enforcement	Rep. Bedke
<a href="#">RS20898</a>	Residency Requirements for Idaho's Electors and Validity of Absentee Ballots and Their Count	Rep. Sims

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, January 18, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Stevenson, Black, Smith(30)

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

**Chairman Loertscher** called the meeting to order at 9:01 a.m.

**MOTION:** **Rep. Batt** moved to approve the minutes of January 11, 2012 with the correction of the spelling of **Rep. Bilbao's** name on page 1 as well as the minutes of January 17, 2012. **Motion carried on voice vote.**

**Jack Lyman** of the Idaho Mining Association, presented an analysis of state agency rulemaking for the committee. Mr. Lyman's analysis completed in 2010, found that the number of rules presented to the 2010 Legislature had increased 24%. **HCR51** was introduced and requested state agencies to restrict their rulemaking to eight priorities: rules addressing threats to public health and safety, rules required by specific direction of the legislature, rules required by enactment of a new state or federal statute, rules required to maintain state primacy of a federally delegated program, rules required by a federal agency or required as a specific condition of a federal grant or appropriation, or rules the Governor specifically finds necessary. Several agencies as well as the Governor's office expressed concerns with the resolution and requested that it be held in the other body. The agencies indicated they would be more diligent in the future. Last year agencies proposed 184 rules, a decrease of nearly 30% over 2010. This year, the House is again considering 184 rules. In 2010, this committee considered 27 rules, last year 14, this year 6.

In response to questions, **Mr. Lyman** indicated there has been an increase of proposed rules by agencies most notably Education and Health & Welfare. This is due to statutory enactments from the prior year. Mr. Lyman also responded to the proposal that the committee do away with review of rules that are not contested. Mr. Lyman stated that in those cases the review can be expedited.

**RS20975C1:** **Rep. Bedke** presented **RS20975C1** to the committee. The legislation provides for the addition of Section 67-1613 because our law was silent on the issue of regulating camping. He stated that camping is not the intended use of state properties or the Capitol. Rep. Bedke explained the legislation is in response to the obligation for public health and safety as well as access for all citizens. This is not a prohibition on free speech but a prohibition on camping.

In response to questions from the committee, **Rep. Bedke** addressed the issue of seizing personal property by persons who are immune from liability. Rep. Bedke explained that the term "persons" referenced on Page 2 refers back to Page 1, Line 40, state agency personnel or contractors. Rep. Bedke clarified the legislation does include emergency enacting. He noted there is no prescribed methodology at this time on how the persons camping on the properties would be removed, whether



Capitol Mall security, Idaho State Police or Department of Administration (DOA). He also explained that while those currently camping on the Capitol grounds may have negotiated with DOA and received approval; it was because our law has been silent on the issue of camping. He again reiterated it was not the intended use of the lawns. Rep. Bedke clarified that the penalty for camping would be an infraction. This can mean tickets, the lightest touch in terms of enforcing our code. The amount of the fine is unknown at this time.

**ORIGINAL  
MOTION:**

**Rep. Luker** made a motion to introduce **RS20975C1** with the following change: on Page 2, Line 3, add the words "such authorized" before the word "persons".

**SUBSTITUTE  
MOTION:**

**Rep. King** made a substitute motion to return **RS20975C1** to the sponsor to define infraction and because it is an infringement on the First Amendment.

**Rep. McGeachin** voiced her support of the original motion to introduce the bill and give it a full hearing which will support free speech.

**VOTE ON  
SUBSTITUTE  
MOTION:**

**Chairman Loertscher** called for a vote on the substitute motion to return **RS20975C1** to the sponsor. **Motion failed by voice vote.**

**VOTE ON  
ORIGINAL  
MOTION:**

**Chairman Loertscher** called for a vote on the motion to introduce **RS20975C1** with the change on Page 2, Line 3, adding the words "such authorized" before the word "persons". **Motion carried by voice vote.** **Rep. King** requested that she be recorded as voting **NAY**.

**RS20898:**

**Rep. Sims** presented **RS20898** to the committee. This proposed legislation is a collaborative effort that came about because of an outcome in a county election. This legislation will address residency requirements and absentee ballots. The proposed legislation will revise qualifications of electors and every citizen who declares "permanent resident" status in any other country or state. Rep. Sims clarified that separate ballots containing only the federal election will be supplied to those requesting through the Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA). She also noted that the legislation requires an audit procedure to be in place. If there are any challenges there will be a place to go for review by the Secretary of State.

In response to questions from the committee, **Rep. Sims** clarified that absentee ballots left open and not secured is a validity issue. In the past they had more ballots than envelopes. Rep. Sims explained that even if the ballots are secured after being opened, it still questions the validity of the election.

**MOTION:**

**Rep. Henderson** moved to introduce **RS20898**. **Motion carried by voice vote.**

**ADJOURN:**

There being no further business to come before the committee; the meeting was adjourned at 9:29 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochran  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
BATT SUBCOMMITTEE ON RULES  
8:30 A.M.  
Room EW40  
Thursday, January 19, 2012

DOCKET NO.	DESCRIPTION	PRESENTER
<a href="#">03-0101-1101</a>	Rules of The State Athletic Commission: Pending Fee Rule.	Tana Cory Bureau Chief Bureau of Occupational Licenses
<a href="#">15-1001-1101</a>	Rules of The Idaho State Liquor Division: Pending Rule to make changes to clarify ambiguous language, eliminate unnecessary and obsolete terms and language relating to its day-to-day business operations.	Jeff Anderson Director
<a href="#">52-0103-1101</a>	Rules Governing Operations of The Idaho State Lottery: Pending Rule to update antiquated practice as a result of Instant Ticket Automation.	Jeff Anderson Director
<a href="#">31-1101-1101</a>	Safety and Accident Reporting Rules for Utilities Regulated by Idaho Public Utilities Commission	Paul Kjellander President
<a href="#">31-7103-1101</a>	Railroad Safety and Accident Reporting Rules	Paul Kjellander President

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Batt  
Rep.Simpson  
Rep.Palmer  
Rep.Luker  
Rep.Higgins

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE  
BATT SUBCOMMITTEE ON RULES**

**DATE:** Thursday, January 19, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Batt, Representatives Luker, Palmer, Simpson, Higgins

**ABSENT/  
EXCUSED:** None.

**GUESTS:** Amy Wernsing, Governor's Office; Dennis Stevenson, Department of Administration; Jeff Anderson, Idaho State Liquor Division and Idaho State Lottery; Jared Tatro, Office of Performance Evaluations; Shoni Pegram, Governor's Office; Jan Sylvester, Max Greenlee, Risch Pisca; Tana Cory, Bureau Chief, Bureau of Occupational Licenses; Tom Katsilometes, Chair, Idaho Athletic Commission.

**Chairman Batt** called the meeting to order at 8:30 a.m.

**DOCKET NO. 03-0101-1101:** **Tana Cory**, representing the Idaho Bureau of Occupational Licenses, introduced **Docket No. 03-0101-1101**, Pending Fee Rule to the subcommittee. She explained the bureau provides administrative, investigative, legal and financial services for the Idaho Athletic Commission. The bureau is self-governing and receives no support from the General Fund. Fees are based on actual services provided and they bill on an hourly basis.

**Tom Katsilometes**, Chairman for the Idaho Athletic Commission continued the presentation of **Docket No. 03-0101-1101** to the subcommittee. He explained the Athletic Commission oversees both amateur and pro boxing, wrestling and mixed martial arts which includes cage-fighting events. He clarified that they are not generating enough fees to cover the costs of regulating mixed martial arts which has had problems in the past with promoters. He referenced an incident from 2003 where a person was killed at the Qwest Arena in a non-sanctioned fight. The cost for hearings and legal services is the reason to raise fees to play. Fees should be at the proposed level due to the costs of overseeing mixed martial arts. He stated the fees should be at a level where they can pay for services, the Bureau of Occupational Licenses should not subsidize them.

In response to questions from the subcommittee, **Mr. Katsilometes** clarified that although the problems originated with regulating mixed martial arts, the fee increase will apply to all participants. He further explained the proportion of mixed martial arts to boxing is 20 to 1. Raising fees for wrestling and boxing as well would not hinder these groups from scheduling events in Idaho versus surrounding states. Boxing is currently limited in Idaho and most of it occurs at the casino in Coeur d'Alene. The WWE holds events here but brings in their own officials. In response to defining non-combatants versus combatants, he stated non-combatants include gloves, referees, judges, and timekeepers. Ultimately the fighter and promoter make all the money but the non-combatants need to pay fees to ensure these people are trained. Although they pay a fee for their license, they are paid by the promoter for each event. Mr. Katsilometes advised the Athletic Commission will get back to breaking even with the fee increase. They have been losing \$20,000 to \$30,000 per year operating mixed martial arts through the Idaho Bureau of Occupational Licenses (IBOL). With this fee increase they will raise \$40,000.00 per year.

- MOTION:** **Rep. Higgins** made a motion to recommend approval of **Docket No. 03-0101-1101** to the full Committee. **Motion carried by voice vote.**
- DOCKET NO. 15-1001-1101:** **Jeff Anderson** of the Idaho State Liquor Division presented **Docket No. 15-1101-1101** to the subcommittee. He stated the agency has changed from a dispensary to a division. The Idaho State Liquor Division is a dedicated fund agency. The proposed rule changes are housekeeping measures to update the language to accurately reflect how they do business. The language changes recognize suppliers in place of vendors.
- In response to questions, **Mr. Anderson** clarified the following terms: rectifier are companies that manufacture distilled spirits; some from beginning to end, and related products are those items used as mixers with liquor and includes table wines. He clarified the Director is the authority for the division as provided for in the legislature and now added to the rule. He also verified that suppliers are required to have a permit which needs to be renewed each year at a cost of \$50.00.
- MOTION:** **Rep. Luker** made a motion to recommend approval of **Docket No. 15-1001-1101** to the full committee. **Motion carried by voice vote.**
- DOCKET NO. 52-0103-1101:** **Jeff Anderson** of The Idaho State Lottery presented **Docket No. 52-0103-1101** to the subcommittee. He explained there is only one proposed change to the rule. The outdated practice of ticket stamping is being deleted. Previously on the back of each scratch ticket, the retailer stamped their name, address and retailer number. Winning tickets had to be taken back to that retailer to redeem. Technology has changed and now any winning ticket can be paid and validated at any retailer.
- In response to questions from the subcommittee, **Mr. Anderson** clarified that if someone buys a winning ticket at one store and takes it to another store to redeem; the retailer is only required to pay out on tickets \$600.00 or below. Any higher amount is paid by the Idaho State Lottery Commission. If the retailer did not have the funds to pay out on any winning ticket, they would not be required to do so.
- MOTION:** **Rep. Higgins** made a motion to recommend approval of **Docket No. 52-0103-1101** to the full committee. **Motion carried by voice vote.**
- DOCKET NO. 31-1101-1101:** **Paul Kjellander** of the Idaho Public Utilities Commission presented **Docket No. 31-1101-1101** to the subcommittee. Mr. Kjellander explained the proposed rule change is incorporation of the national safety codes updated every three years. He noted that Idaho Power supported the proposed rule to adopt the 2012 updates to the National Electric Safety Code (NESC) in Rule 101. Revisions to the NESC regarding procedures for effectively grounding conductors and equipment is included in Rule 101. Rule 201 addresses revisions found in the federal pipeline safety regulations for construction and operation of natural gas pipelines. Rule 202 addresses revisions for the International Fuel Gas Code. Rule 203 includes updates to the International Mechanical Code which addresses mechanical equipment and systems in flood hazard areas.
- MOTION:** **Rep. Higgins** made a motion to recommend approval of **Docket No. 31-1101-1101** to the full committee. **Motion carried by voice vote.**
- DOCKET NO. 31-7103-1101:** **Paul Kjellander** of the Idaho Public Utilities Commission presented **Docket No. 31-7103-1101** to the subcommittee. He explained the Commission's Railroad Safety and Accident Reporting Rule 103 adopts the federal safety regulations pertaining to the transportation of hazardous materials by railroads.
- MOTION:** **Rep. Luker** made a motion to recommend approval of **Docket No. 31-7103-1101** to the full committee. **Motion carried by voice vote.**

**ADJOURN:**      There being no further business before the subcommittee; the meeting was adjourned at 9:08 a.m.

---

Representative Gayle Batt  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
**HOUSE STATE AFFAIRS COMMITTEE**  
**9:30 AM or Upon Adjournment of the Batt Subcommittee on Rules**  
**Room EW40**  
**Thursday, January 19, 2012**

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">RS20988</a>	Removal of References to Presidential Primary or Presidential Preference Primary from Idaho Code. Primary Elections to be Held on the First Tuesday of August in Even Numbered Years.	Rep. Loertscher
<a href="#">RS20871</a>	Removal of Provisions Governing the Presidential Preference Primary Election	Tim Hurst Secretary of State

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Thursday, January 19, 2012

**TIME:** 9:30 P.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None.

**GUESTS:** Tim Hurst, Chief Deputy, Secretary of State; Jesse Taylor, Westerberg & Associates.  
**Vice-Chairman Crane** called the meeting to order at 9:29 a.m.

**RS20988:** **Rep. Loertscher** presented **RS20988** to the committee. Rep. Loertscher explained that with the primary election in May, this has created a dilemma for candidates. It has extended campaigning and the political season for Idaho. Rep. Loertscher indicated that this legislation would move the primary election to August and move the filing date from the current date in February to May. Rep. Loertscher stated that prior to Idaho getting to hold a presidential primary, the primary election was held in August. He noted this legislation will eliminate all references to presidential primary election and presidential preference primary election from Idaho Code.

In response to questions **Rep. Loertscher** clarified that some of the county clerks do not agree with the proposed primary election date since it will occur at a time when they are planning their budgets. Rep. Loertscher stated that the legislature needs to look at the timing of the primary election this year since the Supreme Court has ruled the redistricting plan invalid.

**MOTION:** **Rep. Stevenson** made a motion to introduce **RS20988. Motion carried by voice vote.**

**Rep. Anderson** stated that while he is in favor of the proposed legislation he has reservations about the timing of the primary and general elections. He noted that this proposed legislation would increase the political time for candidates.

**RS20871:** **Tim Hurst**, Chief Deputy; Secretary of State, presented **RS20871** to the committee. Mr. Hurst explained the proposed legislation will simply remove presidential primary and presidential preference primary from the Idaho Code. He noted there is no presidential primary in Idaho since parties caucus now. Mr. Hurst stated that removal of the presidential primary from the primary election will save on ballot printing costs. It will also clear up voter confusion as to why presidential candidates are on the ballot when they have already been chosen.

**MOTION:** **Rep. King** made a motion to introduce **RS20871. Motion carried by voice vote.**

**Vice-Chairman Crane** noted the committee will be meeting on Friday, January 20th upon adjournment of the House.

**ADJOURN:** There being no further business before the committee; the meeting was adjourned at 9:40 a.m.

---

Representative Crane  
Vice-Chair

---

Lissa Cochrane  
Secretary



AGENDA  
**HOUSE STATE AFFAIRS COMMITTEE**  
Upon Adjournment of the House  
Room EW40  
Friday, January 20, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">H 380</a>	Prohibit Camping on Capitol Mall Properties and Other State Facilities	Rep. Bedke

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Friday, January 20, 2012

**TIME:** Upon Adjournment of the House

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None.

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

**Chairman Loertscher** called the meeting to order at 8:41 a.m.

Chairman Loertscher provided an explanation about the delay in the process. The delay was due to a technical error on **H 380**. The words "such authorized" were inserted on the wrong line. A discussion followed on the possible options for the new **RS 21017**.

**RS 21017:** **Rep. Bedke** presented **RS 21017** to the committee. He stated the proposed legislation is simple and straightforward. The legislation prohibits camping on the lawns and grounds of the State's facilities. This includes the Capitol. During the 120 years Idaho has been a state; the issue has not come up. Our law is silent but the lawns around the Capitol are not a place to camp. It is the intent of this legislation to define camping and it is found in Section 2 of **RS 21017**. It is in the interest of the government to maintain high esthetic standards and provide everyone access to the facilities. Rep. Bedke clarified that camping on state facilities and the Capitol Mall properties will be an infraction. The definition of infractions as well as possible penalties are found in Title 18, Chapter 1 of the Idaho Code. If the law is passed, it will make the State's law on camping consistent with the City of Boise's Ordinance. The language is also very similar to the language that the Department of Interior uses to define their properties. Rep. Bedke referenced a Supreme Court case with similar facts. The Court issued a 7-2 decision that a rule by the National Park Service against camping on the Capitol Mall in Washington D.C. does not violate the First Amendment. Rep. Bedke also clarified the proposed law would be applied neutrally; Girl Scouts and Boy Scouts would not be able to camp there as well.

**ORIGINAL MOTION:** **Rep. Anderson** made a motion to introduce **RS 21017**.

**SUBSTITUTE MOTION:** **Rep. King** made a substitute motion to return **RS 21017** to the sponsor.

**Rep. King** stated that we should allow Occupy Boise to play out. This proposed legislation infringes on the right to assemble and free speech. Taking items from the camping area and throwing them away will be a bad image for Idaho.

**VOTE ON SUBSTITUTE MOTION:** **Chairman Loertscher** called for a vote on the substitute motion to return **RS 21017** to the sponsor. **Motion failed by voice vote.** **Rep(s) King, Buckner-Webb, Smith(30)** and **Higgins** requested to be recorded as voting **AYE**.

**VOTE ON ORIGINAL MOTION:** **Chairman Loertscher** called for a vote on the original motion to introduce **RS 21017**. **Motion carried by voice vote.** **Rep(s) King, Buckner-Webb, Smith(30)** and **Higgins** requested to be recorded as voting **NAY**.

**RECESSED:** The committee recessed at 9:02 a.m. in order for members to attend the House floor session.

**RECOVERED:** **Chairman Loertscher** recovered the meeting at 9:44 a.m.

**Chairman Loertscher** explained the process for testifying before the committee and advised there would be a three minute time limit for testimony.

**H 380:** **Dana Jablonski**, Occupy Boise; **Scott Knight**, Occupy Boise; **Mike Despot**, Occupy Boise; **John McMahon**, Occupy Boise and Idaho Peace Coalition; **Mary Bolognino**, Occupy Boise; **Katie Fite**, Occupy Boise; **K.C. Hunt**, 99%; **Shavone Hasse**, 99%; **Cay Marquat**, Occupy Boise; **Steven Walker**, representing self; **Barbara Kemp**, representing self; **Jeana Harris**, representing self; **Fran Lawrence**, representing self; **Harold Stiles**, representing self; and **Greg Olson**, Blue Lightning, LLC.; testified **in opposition to H 380** . Points of opposition included: 99% group feel the voices that are heard are the ones with money, tents on the lawn are representing their voices, a symbol of a vigil that all is not okay. Occupy Boise is not a camp site but a site of free speech by those concerned with corruption in the federal government, collapse of the middle class, jobs, education and fair pay. The protest site gives hope to under-represented Idahoans that their voice will be heard and a common ground for Idaho's least privileged persons. Occupy Boise is not a camp but a place of political purpose. The vigil site is not only a forum for their collective consultation for the common good but a profound political message. The use of publicly owned land for the purposes of engaging in peaceable and constitutionally protected political activity; that is the highest and best use of the land. Occupy Boise worked with the Department of Administration to accommodate their needs as well as their own. Further testimony stated that members of Occupy Boise are not asking for special consideration; only to be left to engage in their civic duty. The occupy vigil is the only remaining form of free speech and assembly left.

**Monica Hopkins**, Executive Director, ACLU; also testified **in opposition to H 380**. She is opposed because the legislation is modeled after the City of Boise's camping ordinance which has been litigated since 2009. It is problematic to pattern legislation after an ordinance that leaves the state open to litigation at the expense of Idaho's taxpayers.

**MOTION:** **Rep. Luker** made a motion to Hold **H 380** in committee. **Motion carried by voice vote.**

**ADJOURN:** There being no further business before the committee; the meeting was adjourned at 10:56 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
8:45 A.M.  
Room EW40  
Monday, January 23, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">H 404</a>	Prohibit Camping on Capitol Mall Properties and Other State Facilities	Rep. Bedke

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, January 23, 2012

**TIME:** 8:45 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None.

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

**Chairman Loertscher** called the meeting to order at 8:45 a.m.

**Rep. Higgins** moved to approve the minutes of January 18 and 19, 2012. **Motion carried on voice vote.**

**Chairman Loertscher** explained to those wishing to testify on **H 404** that those who were at the committee meeting on Friday would go first. The testimony Friday on **H 380** will be included in the record and will pertain equally to **H 404**.

**H 404:** **Geoff Burns**, representing self; **Gene Bray**, representing self; **Rachael Raue**, representing self; **Mary Reali**, representing self; **Angel Garity**, Occupy Boise; **Jon Howard**, representing self; **Marlenee Diaz**, representing self; **Bob Blurton**, representing self; **Anne Hausrath**, representing self; **Stan Hoobing**, representing self; **Spencer Zachel**, representing self; **Louis D. Scruggs**, representing self; **Dean Gunderson**, representing self; **Brian Ertz**, representing self; **Ed Walters**, representing self; **Cynthia Sage Tiferet**, representing self; **Sage Premoe**, representing self; **Mike Dooley**, Occupy Boise; **Keesha Renna**, representing Occupy Boise; testified in **opposition to H 404**. Points of opposition included: the purpose of the "tent city" is to serve as a symbol of hurt, frustration and despair about the economic system in this great land. Occupy Boise provides a venue for communication to occur because the people's voice has been diminished in government. Corporate interests are represented to the detriment of the people. Occupy Boise seeks to build community among the 99% to address the problems caused by the greed and corruption of the 1% and has a right and responsibility to make their voices heard and to assemble in a peaceable manner. The Occupy Boise vigil site is not a recreational activity; it is a political act, one of protected free speech and peaceable assembly which operates under a 42-page Operational Plan for the site. Occupy Boise is going to stay as long as it takes.

**M. Alex Neiworth**, representing Idaho Association of Government Employees/NAGE/SEIU; testified in **opposition to H 404**. Mr. Neiworth's proposed corrective actions include filing a multi-state collective class action lawsuit to hold accountable prime perpetrators of the housing market collapse and another is a formal system of seeking informed input on critical questions of statewide importance.

**John C. Sparks**, representing self; deferred his time to testify to **Bryan Walker**, representing self/Occupy Boise; who testified in **opposition to H 404**. Mr. Walker testified that he is a practicing Idaho attorney. When Occupy Boise decided to found their vigil on the grounds of the Old Ada County Courthouse, they first

contacted and met with State officials to discuss matters of mutual concern. Mr. Walker and others met with State officials, representatives of the Governor's office and the Idaho State Police. Mr. Walker further testified that given their history of communication and collaboration with public officials, it seems strange that the legislation can be categorized as an emergency.

**Fairy Hitchcock**, representing Hitchcock Family Advocates, testified in **favor of H 404**. Ms. Hitchcock stated she is a lone voice. The masses are not being represented in this committee. The things that are on the lawn are an embarrassment to her. The encampment is not the way to do this.

**Chairman Loertscher** advised the committee they will continue the hearing tomorrow with testimony on **H 404** from **Teresa Luna** of the Department of Administration, a representative from the Attorney General's office, and **Rep. Bedke**.

**ADJOURN:** There being no further business before the committee; the meeting adjourned at 10:55 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochran  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Tuesday, January 24, 2012

SUBJECT	DESCRIPTION	PRESENTER
Presentation	Proposal to Combine State Records & Local Government Records under Single Agency Management Idaho Historical Society (IHS) and Dept. of Administration (DOA)	Janet Gallimore, Exec. Director, IHS Bill Burns, Administrator, DOA
<a href="#">H 404</a>	Prohibit Camping on Capitol Mall Properties and Other State Facilities	Rep. Bedke

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Tuesday, January 24, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None

**GUESTS:** Erik Makrush, Idaho Freedom Foundation; Mary Bolognino, Occupy Boise; Bob Blurton, Occupy Boise; Katie Fite, Occupy Boise; David Goins, Idaho News Service; Max Greenlee, Risch Pisca; Teresa Luna, Director, Department of Administration; Brian Kane, Deputy Attorney General; Janet Gallimore, Executive Director, Idaho State Historical Society; Rod House, State Archivist, Idaho State Historical Society; Jan Sylvester, Holly Kody, Tony Smith, Benton Ellis.

**Chairman Loertscher** called the meeting to order at 9:00 a.m.

**Chairman Loertscher** announced there would be a change in the order listed on the Agenda. Teresa Luna, Director, Department of Administration will testify first on **H 404**.

**H 404:** **Teresa Luna**, Director of the Department of Administration, testified **in favor of H 404**. She explained the Department of Administration (DOA) is tasked with maintaining and managing the State's properties. When Occupy Boise approached the DOA; they researched the statutes and found specific guidelines on how to use the buildings, parking lots, the Capitol building and grounds, but the law is silent on use of the Capitol Mall grounds. There is nothing to stop this activity. Ms. Luna also stated the DOA has received inquiries from other groups for possible encampments. She clarified that Occupy Boise did not ask permission nor is there any agreement between the Department of Administration and Occupy Boise. As a result of Occupy Boise there has been a fiscal impact of \$9,000.00 in costs for the State. She advised that it cost \$800.00 to have graffiti removed from the LBJ building.

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

In response to questions from the committee, **Teresa Luna** again verified that the Department of Administration did not grant permission to Occupy Boise to begin their encampment. There was no communication with Occupy Boise; only a letter received on October 31, 2011 from the members advising they would begin occupying the Capitol Annex on November 5th. Their letter was a courtesy only, they did not request permission. There was no discussion between DOA and the members of Occupy Boise on when the movement would end. Even though the DOA had notice of the Occupy movement; there was no discussion of a possible Executive Order. DOA has discussed with the Governor and law enforcement the course of action if the bill is successful and people are forced out due to the emergency clause. The plan in place for removal of those camping at the Occupy Boise site would be to post notice when the bill would go into effect. The bill would sit on the Governor's desk for three (3) days not seven (7) as proposed by the Attorney General, to give notice that the law is going to be signed.

**Rep. Bedke** was asked to close out testimony on **H 404**. Rep. Bedke stated that Occupy Boise set up their encampment with rules and we are proud of that. This



legislation sets up rules for the building that the State is charged with taking care of and we want to maintain esthetic standards and public health and safety. It is proper and fitting that the State sets up rules as Occupy Boise has set up rules for their area. They unilaterally came in and set up an encampment for an infinite vigil. There are no rules on camping and this creates chaos. There needs to be rules. Rep. Bedke advised they learned from other states about the problems with their occupy movements and worked with law enforcement and the Attorney General's office when drafting this legislation. The legislation mirrors the City of Boise's ordinance on camping as well as the National Park Service. Rep. Bedke clarified that in regards to disposal of any property left on the grounds, it is the Governor's prerogative to exercise the three (3) day notice but the law can go into effect without his signature. It will go into effect ten (10) days after the Senate passes it. Rep. Bedke concluded this legislation is closing a loophole on regulating camping on Capitol grounds. Lawmakers are charged with applying democratic principles. Citizens don't want camping on the Capitol grounds but they do want to protect free speech. There are still venues to express their ideas, but it is the State's prerogative to regulate camping that occurs on its properties.

**Vice-Chairman Crane** turned the gavel over to **Chairman Loertscher**.

**ORIGINAL  
MOTION:**

**Rep. Stevenson** made a motion to send **H 404** to the floor with a **DO PASS** recommendation.

**SUBSTITUTE  
MOTION:**

**Rep. Smith(30)** made a substitute motion to send **H 404** to General Orders.

**Rep. McGeachin** spoke in support of the substitute motion. She agrees with the issue but believes changes and removal of the emergency clause would make it a better bill. The issue with Occupy Boise is an American issue. Crony capitalism is the problem. Corporate executives involved with the top investment banks on Wall Street have been appointed to jobs in our Treasury and other positions by both political parties including the current administration.

**Rep. Buckner-Webb** spoke in support of the substitute motion. She has enjoyed the camaraderie and wants to move forward in a respectful manner.

**AMENDED  
SUBSTITUTE  
MOTION:**

**Rep. King** made an amended substitute motion to **HOLD H 404** for time certain in committee so that a subcommittee can review for possible amendments to the bill. Rep. King presented a list of possible amendments (copy is attached to the minutes).

**Rep. Anderson** spoke in opposition to the amended substitute motion and proposed amendments. He stated that if you give them 7 day notice to leave then you are giving them 7 days to camp. The amendments are directed to Occupy Boise and not for possible groups in the future.

**Rep. Simpson** expressed concern with the precedent this sets. He stated that without the emergency clause this gives Occupy Boise and others the right to camp there until July 1st.

**Rep. Bilbao** stated it comes down to honesty in their testimony to the committee. Members of Occupy Boise stated they had an agreement with the Department of Administration.

**VOTE ON  
AMENDED  
SUBSTITUTE  
MOTION:**

**Chairman Loertscher** called for a vote on the amended substitute motion to **HOLD H 404** for time certain in committee. **Motion failed by voice vote.**

**VOTE ON  
SUBSTITUTE  
MOTION:**

**Chairman Loertscher** called for a vote on the substitute motion to send **H 404** to General Orders. **Motion failed by voice vote.**

**VOTE ON  
ORIGINAL  
MOTION:**

**Chairman Loertscher** called for a vote on the motion to send **H 404** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep(s). McGeachin, Smith(30), King, Higgins and Buckner-Webb** requested they be recorded as voting **NAY**. **Rep. Bedke** will sponsor the bill on the floor.

**Janet Gallimore**, Executive Director, Idaho State Historical Society, made a presentation to the committee on the proposal to combine state records and local government records under single agency management. The Idaho State Historical Society (ISHS) in collaboration with the Department of Administration recommend a merger of the records functions of the State Records Center (SRC) and the Idaho State Archives (ISA) under the direction of ISHS. The purpose is to streamline current records management and reduce any redundancies. The projected outcome is enhanced access for constituents and to preserve essential records of fiscal, administrative, legal, vital and long-term value. The key challenges are: complex state records management program, no unified or secure online catalog access, no public online catalog access, no unified electronic imaging and digital-born records program with archiving, a substantial volume of records held and management services provided for cities and counties, and resources do not correlate with demand for service. Ms. Gallimore explained the function of the Idaho State Archives and Research Center is to house permanent state, county and city government records and other public records and fulfills 17,000 information requests annually. The Idaho State Records Center provides access and storage services to state agencies for active and permanent records and fulfills 4,650 records requests annually from state agencies. Expenditures for the Archives and Records Center have decreased from \$1,166,182.00 in FY 2009 to \$881,918.00 in FY 2011. The largest operating expenditure in FY 2011 was security, utilities and space rental. There is also not enough funding for technological advances. She stated the rationale for ISA/SRC consolidation is to streamline records management and to provide efficient and high quality service to constituents with a longer term vision of records management for the State, cities, and counties. Phase I Goal is to merge "As-Is", Phase II is to complete a consultant study with recommendations, and Phase III will be to evaluate the merger.

In response to questions, **Janet Gallimore** explained that with the merger JFAC will need to move funds over from DOA to ISA. It is projected to cost \$65,000 for consultant fees but she stated that we need to look long-term at issues for records retention such as storage, electronic access, and digital materials.

**ADJOURN:**

There being no further business before the committee; the meeting adjourned at 10:12 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Thursday, January 26, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">RS20921</a>	To Allow the Idaho State Treasurer to Promote Financial Literacy Through Programs Sponsored or Administered by the Treasurer's Office	Ron Crane
<a href="#">RS21035</a>	To Allow the Treasurer to Determine if Benefits Exceed Expenses for Obtaining and Protecting Federal Trademarks for the Idaho Commemorative Silver Medallions	Ron Crane
<a href="#">RS20974</a>	Joint Memorial Restating the Intent of the Legislature in Regards to S 1006 Passed in the 1st Regular Session of the 61st Idaho Legislature	Rep. Henderson
<a href="#">RS20978</a>	Joint Memorial Restating the Intent of the Legislature in Regards to S 1007 Passed in the 1st Regular Session of the 61st Idaho Legislature	Rep. Henderson

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Thursday, January 26, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Rep. Black

**GUESTS:** Max Greenlee, Risch Pisca; Jane Wittmeyer, Wittmeyer & Associates; Joie McGarvin, Westerberg & Associates; Cindy Hedge, Idaho AFL-CIO; Laura Steffler, Deputy, State Treasurer's Office; Jesse Taylor, Westerberg & Associates; Benjamin Davenport, Risch Pisca

**Chairman Loertscher** called the meeting to order at 9:00 a.m.

**RS 20921:** **Ron Crane**, State Treasurer, presented **RS 20921** to the committee. Mr. Crane stated he was sworn in as Treasurer in 1999 and that same year he started the Smart Women Smart Money conference to teach women techniques on managing their finances. Mr. Crane raised funds from the private sector and 1500 women registered the first year. The following year attendance grew to 1700. The conference is conducted in Boise every fall and has reached other parts of the state including Idaho Falls, Twin Falls, and Coeur d'Alene. Each year \$10,000.00 is donated from the operating budget for this conference. He also promotes financial literacy for high school seniors by offering an education program on the ABC's of Credit Card Finance. The program focuses on providing students information about credit cards as well as the dangers. In his latest performance audit he was advised that he does not have the statutory authority to promote financial literacy. **RS 20921** amends section 67-1201 to include statutory authority for the State Treasurer to promote financial literacy. The word "may" is used so that subsequent treasurers are not bound to promoting financial literacy. He advised there is no fiscal impact for this proposed legislation.

In response to questions from the committee, **Mr. Crane** stated that the cap on funding for promoting financial literacy is limited to appropriations from JFAC. The funds come from the operating budget. There would not be enough funds for the expenses of the office such as employee salaries if he used \$100,000.00 on this conference. Mr. Crane further explained that although institutions such as the University of Idaho and the Women's Commission have participated or provided handouts, there is no partnership.

**ORIGINAL MOTION:** **Rep. McGeachin** made a motion to introduce **RS 20921**.

**SUBSTITUTE MOTION:** **Rep. Smith(30)** made a substitute motion to introduce **RS 20921** and send it directly to the Second Reading Calendar.

**VOTE ON SUBSTITUTE MOTION:** **Chairman Loertscher** called for a vote on the substitute motion to introduce **RS 20921** and send it directly to the Second Reading Calendar. **Motion carried by voice vote. Rep. McGeachin** will sponsor the bill on the floor.

**RS 21035:** **Ron Crane**, State Treasurer, presented **RS 21035** to the committee. The State Treasurer was authorized by the Legislature to issue a series of commemorative silver medallions for sale to the public. The proceeds support the Veterans Cemetery Maintenance Fund. He advised that \$48,000.00 has been generated so far with only 60 medallions left from the final minting. It costs between \$1,000.00 to \$3,000.00 to maintain the trademark and this takes away from revenue that would go to the fund. This proposed legislation would amend section 67-1223 of the Idaho Code. The State Treasurer is authorized to maintain the federal trademark rather than directed to maintain it. It will save funds if they don't have to protect the trademark.

In response to questions, **Laura Steffler**, Deputy State Treasurer, advised the committee that the proposed legislation strikes out the wording that it is the duty of the State Treasurer to protect each and every trademark and changes the responsibility to authorized. It may not be cost effective to sue someone who infringes on the trademark if, for example, someone produced a few of them for sale. The language pertaining to the State Treasurer's duty to protect each and every trademark is limited to the trademarks for the medallions only.

**MOTION:** **Rep. Andrus** made a motion to introduce **RS 21035**. **Motion carried by voice vote.**

**RS 20974:** **Rep. Henderson** presented **RS 20974** to the committee. Rep. Henderson noted this Joint Memorial is simply restating the intent of the Legislature when it passed **S 1006** the "Open Access to Work Act" in the First Regular Session of the 61st Idaho Legislature. The purpose of the legislation was a desire to encourage efficiency and reward contractor innovation in the procurement and construction of publicly funded construction by maintaining a policy of neutrality on the use of project labor agreements. The law was challenged and deemed unconstitutional. The Court failed to adequately review the legislative intent, history and testimony provided and the State wants to appeal the case.

In response to questions from the committee, **Jane Wittmeyer**, Wittmeyer & Associates, stated the Inland Pacific Chapter of the Associated Builders and Contractors have determined the Court failed to adequately address the legislative intent and utilized language it thought was more appropriate but not what language was in the bill. **RS 20974** is a Memorial instead of a bill because it is thought that the errors made by the Court in reaching its decision were so profound and clear, the case will be reversed upon appeal.

**MOTION:** **Rep. Batt** made a motion to introduce **RS 20974**. **Motion carried by voice vote.** **Rep(s). Smith(30), Higgins, King, and Buckner-Webb** requested to be recorded as voting **NAY**.

**RS 20978:** **Rep. Henderson** presented **RS 20978** to the committee. Rep. Henderson noted this Joint Memorial is simply restating the intent of the Legislature when it passed **S 1007** the "Fairness in Contracting Act" in the First Regular Session of the 61st Idaho Legislature. The legislation addresses the authority granted by Congress under Section 14(b) of the National Labor Relations Act for states such as Idaho that passed the Right to Work statute in order to guarantee its citizens maximum individual freedom of choice in the pursuit of employment and to be free from undue restraint and coercion with regard to employment. The Joint Memorial is to support the appeal that the Attorney General is pursuing.

**MOTION:** **Rep. Simpson** made a motion to introduce **RS 20978**. **Motion carried by voice vote.** **Rep(s). Smith(30), Higgins, King, and Buckner-Webb** requested to be recorded as voting **NAY**.

**ADJOURN:**      There being no further business before the committee; the meeting was adjourned at 9:24 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
**HOUSE STATE AFFAIRS COMMITTEE**  
**9:30 A.M.**  
**Room EW40**  
**Monday, January 30, 2012**

DOCKET NOS.	DESCRIPTION	PRESENTER
	<b>Report from Batt Subcommittee</b>	Rep. Batt
<a href="#"><u>03-0101-1101</u></a>	<u>Fee Rule from the State Athletic Commission</u>	
<a href="#"><u>15-1101-1101</u></a>	<u>Rule from the Idaho State Liquor Division</u>	
<a href="#"><u>52-0103-1101</u></a>	<u>Rule from the Idaho State Lottery</u>	
<a href="#"><u>31-1101-1101,</u></a> <a href="#"><u>31-7103-1101</u></a>	<u>Safety and Accident Reporting Rules from the Idaho Public Utilities Commission</u>	
	<b>Report from the Sims Subcommittee</b>	Rep. Sims
<a href="#"><u>38-0406-1101</u></a>	<u>Rule from the Department of the Administration</u>	
<a href="#"><u>54-0101-1101</u></a>	<u>Rule from the Office of the State Treasurer</u>	
<a href="#"><u>34-0402-1101,</u></a> <a href="#"><u>34-0501-1101</u></a>	<u>Rules from the Secretary of State</u>	

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Luker
Vice Chairman Crane	Rep Palmer
Rep Stevenson	Rep Simpson
Rep Black	Rep Guthrie
Rep Anderson	Rep Henderson
Rep Andrus	Rep McGeachin
Rep Bilbao	Rep Sims

Rep Batt
Rep Smith(30)
Rep King
Rep Higgins
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, January 30, 2012

**TIME:** 9:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative McGeachin

**GUESTS:** Jeff Harvey, Office of Secretary of State; Jeff Anderson, Idaho State Liquor Division and Idaho State Lottery; Jan Sylvester

**Chairman Loertscher** called the meeting to order at 9:34 a.m.

**Rep. Batt** moved to approve the minutes of January 20 and 23, 2012. **Motion carried on voice vote.**

**Rep. Higgins** moved to approve the minutes of January 24, 2012. **Motion carried on voice vote.**

**SUBCOMMITTEES ON RULES** **Vice-Chairman Crane** requested that each subcommittee chairman report on their committee's review of the administrative rules.

**Batt Subcommittee** recommends approval of the fee rule for the State Athletic Commission, **Docket No. 03-0101-1101**; pending rules from the Idaho State Liquor Division, **Docket No. 15-1001-1101**; Idaho State Lottery, **Docket No. 52-0103-1101**; and Safety and Accident Reporting Rules from the Idaho Public Utilities Commission, **Docket Nos. 31-1101-1101** and **31-7103-1101**.

**Sims Subcommittee** recommends approval of pending rules from the Secretary of State, **Docket Nos. 34-0402-1101** and **34-0501-1101**; Department of Administration, **Docket No. 38-0406-1101**; and Office of the State Treasurer, **Docket No. 54-0101-1101**.

**MOTION:** **Vice-Chairman Crane** moved to approve all dockets listed above. **Motion carried on voice vote.** **Vice-Chairman Crane** requested that he be recorded as voting **NAY** on **Docket No. 03-0101-1101**.

**ADJOURN:** There being no further business before the committee; the meeting was adjourned at 9:38 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochran  
Secretary



**AGENDA**  
**HOUSE STATE AFFAIRS COMMITTEE**  
**9:30 A.M.**  
**Room EW40**  
**Tuesday, January 31, 2012**

<b>SUBJECT</b>	<b>DESCRIPTION</b>	<b>PRESENTER</b>
<a href="#"><u>RS20900</u></a>	Joint Memorial Requesting the President Award Sergeant Chris Tschida with the Medal of Honor	Rep. Hagedorn
<a href="#"><u>RS20945</u></a>	Proposal to Give Division of Veterans Services Responsibility to Create Rules Directing the Proper Protocol for the Location and Display of All Authorized Flags Flying over State Property	Rep. Hagedorn
<a href="#"><u>RS21057</u></a>	Proposed Legislation to Revise the Definition of Employee with Respect to PERSI Benefits	Rep. Stevenson
<a href="#"><u>RS20986</u></a>	Proposed Legislation to Treat Legislators the Same as All Other Elected Officials with Respect to PERSI Benefits	Rep. Lake

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Tuesday, January 31, 2012

**TIME:** 9:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Vice Chairman Crane

**GUESTS:** None

**Chairman Loertscher** called the meeting to order at 9:31 a.m.

**RS 20900:** **Rep. Hagedorn** presented **RS 20900** to the committee. This Joint Memorial is to recognize Sgt. Chris Tschida for the heroic acts he took on May 15, 2005, during his tour in IRAQ. Sgt. Tschida and his tank crew were on a mission providing security for an infantry detail when an insurgent attacked their tank by throwing two grenades into it. Sgt. Tschida located one of the grenades and while retrieving it, the grenade exploded and amputated his left hand. The other grenade exploded inside the tank severely injuring the other crew members as well as Sgt. Tschida. Even with his injuries he was able to get the other crew members out of the tank, provide first-aid and fight off an attack by an insurgent. Sgt. Tschida loaded the crew members onto the tank, covered them with his body to shield them, and commanded the driver to take them to a safe location. Sgt. Tschida's heroics are documented by those on the ground as well as his Lieutenant. The paperwork to issue citations did not get completed as it should have. If this Joint Memorial passes it will go to Idaho's Congressional delegation and then forwarded to the President.

**MOTION:** **Rep. Stevenson** made a motion to introduce **RS 20900** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Hagedorn** will sponsor the bill on the floor.

**RS 20945:** **Rep. Hagedorn** presented **RS 20945** to the committee. This is proposed legislation that corrects concerns of last session regarding the positioning of the POW/MIA flag and where it can be flown. The previous legislation limited the display of the POW/MIA flag to the following: the State Capitol building, the building that serves as the district court, the building that serves as the city or town hall of each incorporated city or town, and the building that serves as the main administrative building of each county. These designations did not allow the POW/MIA flag to be flown in the Veterans Cemetery or at the Veterans Memorial. This proposed legislation deletes the locations listed above. It will make the Division of Veterans Services in charge of the proper protocol on where to locate and display flags flown on State property.

In response to questions from the committee, **Rep. Hagedorn** clarified that the legislation is not attempting to limit the flying of the POW/MIA flag. It is meant to have the Division of Veterans Services direct the proper protocol on where to locate and fly the POW/MIA flag when it is placed, for example, next to the U.S. flag and the Idaho State flag.

**MOTION:** **Rep. Henderson** made a motion to introduce **RS 20945.** **Motion carried by voice vote.**

**RS 21057:** **Rep. Henderson** presented **RS 21057** to the committee. He stated this legislation has the support of the Association of Cities as well as PERSI and is brought here today at the request of the Board of Directors of the Cemetery Districts. They have part-time employees who are not exempt from PERSI unlike the irrigation districts. This legislation revises the definition of "employee" for the purposes of PERSI benefits to be any person who works one-thousand three hundred eighty-seven (1,387) hours or more in a calendar year, but this does not include school teachers who work half-time.

In response to questions from the committee, **Rep. Henderson** clarified that an employee would not get credit for any year that they did not work 1,387 hours.

**MOTION:** **Rep. Andrus** made a motion to introduce **RS 21057**. **Motion carried by voice vote.**

**RS 20986:** **Rep. Lake** presented **RS 20986** to the committee. The purpose of this legislation is to treat legislators the same as all other elected officials with respect to accumulated service time for PERSI benefits. A past legislature passed **S 1603** in 1990 making it retroactive to 1985 and carved out special PERSI benefits for legislators. A person who serves in the legislature for a period of time can accumulate service time for PERSI benefits and then take a position at much higher pay for a minimum of 42 months to "spike" their benefits. They then can retire with the benefit provided by the higher pay. No other elected official can claim this benefit. **Rep. Lake** stated that legislators should be held to the same standard as all other elected officials and this legislation will repeal **S 1603**. **Rep. Lake** provided an example of the difference between what a legislator would receive at retirement and what one would receive if they took a higher paid position to "spike" their benefits. **Rep. Lake** further explained all legislators who leave before July 1, 2012, will have their retirement benefits computed under the current code. After that date, the initial service retirement allowance of all other members of the Idaho Legislature will be computed in the same manner as the computation for non-legislative elected or appointed officials.

In response to questions, **Rep. Lake** advised that the date July 1, 2012, was used because it is the end of the fiscal year. It has not been analyzed constitutionally as to making this change in the middle of the year when a legislator's term ends at the end of the calendar year. This legislation will take it back to the way it used to be and all years of employment in which legislators paid into PERSI will be computed using an aggregate formula.

**MOTION:** **Rep. Black** made a motion to introduce **RS 20986**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:56 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:30 A.M.  
Room EW40  
Wednesday, February 01, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">RS21003</a>	Designate the Poem "We Were Miners Then" as the State Poem in Commemoration of the Anniversary of the Sunshine Mine Disaster	Rep. McMillan
<a href="#">RS21041</a>	Requirement for Taxing Districts to Provide a Statement of Purpose in Bond Elections	Rep. Simpson
<a href="#">RS21042</a>	Public Notice and Ballot Requirements for Levy Elections	Rep. Simpson
<a href="#">RS21092</a>	Residency Requirements for Idaho's Electors and Revised Procedures for Counting Absentee Ballots	Rep. Sims
<a href="#">H 371</a>	Admission to Idaho State Veterans Homes for Parents Whose Child Died While Serving in the Armed Forces	Tamara Mackenthun Division of Veterans Services

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, February 01, 2012

**TIME:** 9:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None

**GUESTS:** Max Greenlee, Risch Pisca; Bert Marley, Idaho Education Association; Teresa Baker, Ada County; Colby Cameron, Sullivan, Reberger & Eiguren; Zach Hauge, Capitol West; Tony Poinelli, Idaho Association of Counties; Tamara Mackenthun, Idaho Division of Veterans Services; Tony Smith, Benton Ellis; Tim Hurst, Office of the Secretary of State.

**Chairman Loertscher** called the meeting to order at 9:35 a.m.

**Rep. Batt** moved to approve the minutes of January 26 and 30, 2012. **Motion carried by voice vote.**

**RS 21003:** **Rep. McMillan** presented **RS 21003**, proposed legislation for Idaho to designate a state poem. Mining has played a major role in the State of Idaho and it is the cornerstone of the local economy for the Silver Valley. The poem, "We Were Miners Then" was written by former Governor Phil Batt in 1972 in response to the Sunshine Mine Disaster in Northern Idaho. It was the worst disaster in Idaho history in which only two miners survived. May 2, 2012, will mark the 40th anniversary of the Sunshine Mine Disaster. Rep. McMillan stated the intent of this legislation is not only to highlight Idaho's proud mining heritage but also to honor the mining families of this state.

In response to questions from the committee, **Rep. McMillan** verified that former Governor Batt approves of the use of his poem.

**MOTION:** **Rep. Higgins** made a motion to introduce **RS 21003**. **Motion carried by voice vote.**

**RS 21041:** **Rep. Simpson** presented **RS 21041** explaining the history behind this proposed legislation. **RS 21041** requires the ballot for a bond election to include an official statement with the following: the purpose for which the bonds are to be used, disclosure of the interest rate, the total amount to be repaid, the length of time in which the proposed bonds will be paid off, and the total existing indebtedness of the taxing district. Currently, the Idaho Code is vague and doesn't address the purpose of the bond election.

In response to questions from the committee, **Rep. Simpson** clarified that the current market interest rate would be used for calculating both the anticipated interest rate and the total amount of interest to be paid as required in the proposed official statement.

In response to questions raised about any unused monies from a bond election, **Tim Hurst**, Office of the Secretary of State, advised they did not want to legislate that issue but it could be addressed in the Statement of Purpose.

**MOTION:** **Rep. Luker** made a motion to introduce **RS 21041**. **Motion carried by voice vote.**

**Rep. Simpson** advised that when the bill receives a hearing, a ballot with these proposed changes would be available for comparison with a previous one.

**RS 21042:**

**Rep. Simpson** presented **RS 21042** to the committee. This legislation was introduced last session as well. There are no requirements for levy elections in the Idaho Code. The Secretary of State requested legislation for levy elections. **RS 21042** will require a brief official statement for levy elections with the following: the purpose for which the levy will be used; date of the election; and dollar amount to be collected each year; and length of time the proposed levy will be assessed. The official statement will be made a part of the ballot and included in the official notice of the election.

**MOTION:**

**Rep. Luker** made a motion to introduce **RS 21042**. **Motion carried by voice vote.**

**RS 21092:**

**Rep. Sims** presented **RS 21092**, a revised version of **H 381** to the committee. In reviewing **H 381**, it was determined the residency requirements of the bill inadvertently kept the military from voting and did not address the Servicemembers Civil Relief Act. **RS 21092** revises the qualifications of electors to include citizens who declare "permanent resident" status in any other country or state nullifies residency in Idaho regardless of that citizen's intention to return to Idaho, *except* as provided for in 50 U.S.C. App. § 595. Section 595 provides for the guarantee of residency for military personnel. Rep. Sims also clarified that the provisions regarding opening of the absentee ballots early is still in this proposed legislation. The opening of absentee ballots before the closing of the polls questions the integrity of those who open them. This proposed legislation also contains a provision that directives of the Secretary of State cannot override the Legislature.

In response to questions from the committee, **Rep. Sims** addressed concerns for larger counties, such as Ada County, not being able to open the absentee ballots early even if they have security. Rep. Sims stated that having information for the press and candidates should not be more important than the validity of elections.

**MOTION:**

**Vice-Chairman Crane** made a motion to introduce **RS 21092**. **Motion carried by voice vote.**

**H 371:**

**Tamara Mackenthun**, Division of Veterans Services, presented **H 371** explaining that this bill will expand the admission criteria for our State Veterans Homes in Boise, Pocatello and Lewiston. The bill is a response to changes in the federal law regarding the criteria for parents' admittance to the homes. Previously parents were allowed admission into the home if ALL of their children died while serving in the military and this has changed to ANY of whose children dies while serving in the military. She stated veterans will always have precedence on a waiting list and will make up 75% of the homes. The total number of parents and spouses cannot exceed 25% of the total census of a home. The Division of Veterans Services anticipates that there will be a very small number of parents who will want to take advantage of this and that it will have minimal to no financial impact on the homes. She also clarified that the U.S. Department of Veterans Affairs (USDVA) will not pay a per diem charge to the state veterans homes for these residents as incorrectly stated on the Statement of Purpose.

In response to questions from the committee, **Tamara Mackenthun** explained that residents of the veterans homes pay for their stay by a variety of means to include Medicare, Medicaid, VA pension and private pay. The exact number of parents expected to move into the homes as a result of this legislation is unknown but it is expected to be a very small number. The homes already have spouses living there and even with a waiting list, they have not had to turn away anyone.

**MOTION:**

**Rep. Higgins** made a motion to send **H 371** with a **DO PASS** recommendation.

**Tamara Mackenthun** continued the discussion on **H 371** by responding to additional questions and concerns from the committee. She verified that Veterans always go to the top of any waiting list. The population of the homes will be kept at 75% Veterans and 25% spouses and now parents as spelled out in federal and state rules. There is no financial requirement for the parents to meet; it only determines the resident's pay source. If they are not eligible for Medicare or Medicaid, then it is private pay. Cost is established by the accountants who determine the pay category the Veterans fall into. The parent's cost would be calculated in the same manner. In terms of the military, the definition of parents is defined by military regulations that are already in place for such issues as emergency leave and humanitarian assignments. Those same regulations will apply for the parent's admission into the homes and the parents can reside there as long as they desire. The reason for **H 371** is to comply with federal law but the Federal Government is not requiring Idaho to comply.

**Rep. Luker** expressed concern that Idaho never adopted the regulation to allow admission for parents who had ALL their children die while serving in the armed forces. By adopting this regulation to allow admission to parents who have ANY children die might mean that a veteran would not get a place in the home.

**Vice-Chairman Crane** expressed concern for a bill that would allow the middle-class to move into a home paid for by the State.

**Rep. King** spoke in favor of the motion. The veterans homes have limited space with two people to a room. Even with the limited space, it is a good home for the military and a chance to share in the camaraderie.

**Rep. Bilbao** stated that a person must have limited assets in order to receive benefits from Medicare or Medicaid as spelled out in federal law.

**Tamara Mackenthun** verified for the committee members that the veterans homes are skilled nursing facilities and the parents would have to require those services in order to live in the homes.

**Vice-Chairman Crane** expressed his support for **H 371**.

**VOTE ON  
MOTION:**

**Chairman Loertscher** called for a vote on the motion to send **H 371** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Bilbao** will sponsor the bill on the floor.

The Statement of Purpose will be amended to delete the statement, "The USDVA will pay a per diem charge to the state veterans homes for these residents."

**ADJOURN:**

There being no further business to come before the committee; the meeting was adjourned at 10:16 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochran  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:30 A.M.  
Room EW40  
Thursday, February 02, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">RS21078</a>	Proposal to Amend State Constitution to Require Two-Thirds Vote of the House and Senate to Approve Tax Increases	Sen. Vick
<a href="#">H 373</a>	Revised Provisions and Technical Corrections for the Idaho Liquor Act	Jeff Anderson Director

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)



MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Thursday, February 02, 2012

**TIME:** 9:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims (Ingram), Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Stevenson, King

**GUESTS:** Jared Tatro, Office of Performance Evaluation; Jeff Anderson, Idaho State Liquor Division; Joie McGarvin, Westerberg & Associates; Russell Westerberg, Westerberg & Associates; Pam Eaton, Idaho Retailers Association.

**Chairman Loertscher** called the meeting to order at 9:30 a.m.

Chairman Loertscher introduced **Rep. Gary Ingram**, who is substituting for **Rep. Sims** and welcomed him to the committee.

**RS 21078:** **Senator Vick** presented **RS 21078** to the committee. **RS 21078** would amend the Idaho Constitution with the addition of one sentence to require a two-thirds vote for any bill that would raise fees or taxes. Senator Vick stated that raising taxes or implementing a new tax takes away someone's freedom. He noted that 16 other states have similar legislation requiring a higher standard to pass these bills. This restriction will require more thoughtful deliberations and responsibility from the legislators.

In response to questions, **Senator Vick** verified this proposed legislation will only impact bills passed in the Legislature. The legislation would not apply to JFAC since they pass legislation to appropriate money from revenue that has already been generated from taxes. Senator Vick clarified this proposed legislation will apply to *any* bill that would raise taxes to generate or increase revenue even if other tax revenues are down. With additional discussion from the committee, it was determined that this legislation would impact the rulemaking process when the Legislature votes on proposed fee rules that provide a net increase. Senator Vick will research how many bills the Legislature has already passed that raised taxes or fees without the 2/3 vote proposed in this legislation.

**MOTION:** **Rep. Simpson** made a motion to introduce **RS 21078**. **Motion carried by voice vote.**

**H 373:** **Jeff Anderson**, Director of the Idaho State Liquor Division, addressed **H 373** before the committee. Mr. Anderson stated the liquor division is a dedicated fund agency. The intention of the bill before the committee is to clarify and modernize the language found in the Idaho Liquor Act to accurately reflect its day-to-day business operations. The language found in the Act regarding a secretary dates back to when it was a liquor commission. Vendors have been replaced with suppliers. Mr. Anderson advised the committee that he was contacted about striking the wording "alcohol by weight" and replacing it with "alcohol by volume". Mr. Anderson requested additional time from the committee to address this issue.

**Chairman Loertscher** advised the committee that **H 373** will be held to a time certain, until Thursday, February 9th, 2012.

**ADJOURN:**      There being no further business to come before the committee; the meeting was adjourned at 9:50 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Monday, February 06, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>H 391</u></a>	Removal of Provisions Establishing and Governing the Presidential Preference Primary Election	Tim Hurst, Chief Deputy Secretary of State

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims(Ingram)  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, February 06, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims (Ingram), Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative Anderson

**GUESTS:** Glenn Miles, Citizens to Keep Presidential Preference Primary; Tim Hurst, Office of the Secretary of State; Max Greenlee, Risch Pisca; Tony Poinelli, Idaho Association of Counties

**Chairman Loertscher** called the meeting to order at 9:03 a.m.

**H 391:** **Tim Hurst**, Office of the Secretary of State, presented **H 391**, which eliminates the presidential preference primary. He stated that both parties choose their presidential delegates through a caucus now with the Republicans to hold their caucus on March 6th and the Democrats on April 14th. The primary election would be held after the parties caucus and the decision will have already been made. Mr. Hurst stated that it costs \$60,000.00 to reimburse the counties for the cost of preparation to include presidential candidates on the primary election ballot. This is a waste of money and serves no public purpose. This leads to voter confusion when they think they are voting for something that has already been decided. The proposed legislation is not taking away the right to vote. They can still attend the caucus and still vote for the presidential candidates in the general election.

In response to concern about the military not being able to vote in a caucus, **Tim Hurst** stated the parties run the caucus not the Legislature.

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**Glenn Miles**, Citizens to Keep Presidential Preference Primary, testified in **opposition to H 391**. The presidential primary did make a difference at one time. The presidential primary offers the opportunity to make a difference in the outcome of the election and every citizen wants the right to choose the highest position; commander-in-chief. That is why they come out to vote.

**Tim Hurst** was recognized to close testimony on **H 391**. He stated the first presidential primary in Idaho occurred in 1976. Voter participation was poor and that is why they combined them. If the caucus is going to mean something, then it needs to mean something.

**MOTION:** **Rep. Andrus** made a motion to send **H 391** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Loertscher** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:26 a.m.

---

Representative Crane  
Vice Chairman

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:30 A.M.  
Room EW40  
Tuesday, February 07, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>RS21150</u></a>	Transfer Authority for Certification of Voting Machine and Tally Systems from the Federal Election Assistance Commission to the Idaho Secretary of State	Teresa Baker Ada County
<a href="#"><u>RS21100</u></a>	Expand Disclosure Requirements under the State Sunshine Law and Provide for Campaign Contribution Limits	Rep. Ellsworth
<a href="#"><u>RS21111C1</u></a>	Create House Rule 78 Regarding Eligibility for Continued Leadership Posts	Rep. Ellsworth
<a href="#"><u>H 425</u></a>	To Allow the Treasurer to Determine if Benefits Exceed Expenses for Obtaining and Protecting Federal Trademarks for the Idaho Commemorative Silver Medallions	Ron Crane
<a href="#"><u>H 443</u></a>	Proposal to Give Division of Veterans Services Responsibility to Create Rules Directing the Proper Protocol for the Location and Display of All Authorized Flags Flying Over State Property	Rep. Hagedorn

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Tuesday, February 07, 2012

**TIME:** 9:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None

**GUESTS:** Bert Marley, Idaho Education Association; Cindy Hedge, Idaho AFL-CIO; Teresa Baker, Ada County; Tamara Mackenthun, Division of Veterans Services

**Chairman Loertscher** called the meeting to order at 9:31 a.m.

**Rep. Batt** made a motion to approve the minutes of January 31 and February 2, 2012. **Motion carried by voice vote.**

**Rep. Batt** made a motion to approve the minutes of February 1, 2012, correcting the spelling of Bart Marley and Zach Haug. **Motion carried by voice vote.**

**RS 21150:** **Teresa Baker**, Ada County Prosecuting Attorney, presented **RS 21150**, legislation to transfer the authority of voting machine and tally systems certification from the federal Election Assistance Commission to the Idaho Secretary of State. The main purpose of the bill has three points: introduce competition to lower the price of elections and election equipment; allow technology of election equipment to advance; and transfer authority from the Election Assistance Commission (EAC) to Idaho. The Help America Vote Act of 2002 (HAVA) established the EAC, but the commission has never certified any new election equipment and has not had a quorum of members to hold a meeting for the past year. Idaho has one of the most restrictive standards for certifying equipment as our statute requires federal certification. **RS 21150** will allow the Secretary of State to adopt other state's certification standards, work in cooperation with other states, or develop their own standards. **RS 21150** will not impact HAVA funding, but most importantly, it will bring competition to the election equipment market. Idaho has only one vendor and there was no standard pricing in the state until after the purchase of optical scan machines.

**MOTION:** **Rep. Luker** made a motion to introduce **RS 21150**. **Motion carried by voice vote.**

**RS 21100:** **Rep. Ellsworth** presented **RS 21100**, legislation to expand disclosure requirements under the State Sunshine Law to include recall efforts at the county and city level. **RS 21100** also defines "measure" to include recall elections for statewide or legislative district offices. Rep. Ellsworth stated that previously there was no law on campaign contribution limits for recall elections. This proposed legislation will treat recall elections the same as general elections for contribution limits.

**MOTION:** **Rep. Batt** made a motion to introduce **RS 21100**. **Motion carried by voice vote.**

**RS 2111C1:** **Rep. Ellsworth** presented **RS 2111C1**, a Resolution to create a new House Rule 78. If a member of House leadership is convicted of a DUI, they cannot serve in their leadership role for the remainder of the legislative term.

**MOTION:** **Rep. Higgins** made a motion to introduce **RS 2111C1**.

In response to questions and concerns from the committee, **Rep. Ellsworth** explained the legislation focuses on DUIs rather than other offenses such as reckless driving, assault and battery, or misdemeanors because DUIs and drug offenses are defined specifically in Code. She further explained that this legislation is being proposed now because a lack of standards requires you to evaluate based on personalities. The legislation will apply only to a Legislator's current term.

**SUBSTITUTE  
MOTION:**

**Rep. Simpson** made a substitute motion to return **RS 21111C1** to the sponsor.

**Rep. Luker** spoke in support of the substitute motion. He stated this legislation is too narrow and not addressing key issues.

**Rep. McGeachin** spoke in support of the original motion stating it would move the issue down the road and the bill would get a hearing.

**Rep. Henderson** spoke in favor of the substitute motion stating this legislation is too narrow.

**VOTE ON  
SUBSTITUTE  
MOTION:**

**Chairman Loertscher** called for a vote on the substitute motion. **Chairman Loertscher** stated he was in doubt regarding the voice vote and asked for a show of hands. **By a show of hands, the substitute motion failed.**

**VOTE ON  
ORIGINAL  
MOTION:**

**Chairman Loertscher** called for a vote on the original motion. **Chairman Loertscher** asked for a show of hands. **By a show of hands, the original motion passed.**

**H 425:**

**Laura Steffler**, Chief Deputy, State Treasurer's Office, presented **H 425**, legislation to allow the Treasurer to determine if maintaining and protecting federal trademarks for the Idaho commemorative silver medallions would be beneficial. In 2004, the Treasurer was given the duty to create commemorative silver medallions with the proceeds to go to the Veterans Cemetery Maintenance Fund. The silver medallions were issued as a first and second series and there are 40 left to sell. The Treasurer is not issuing more at this time due to the price of silver. Ms. Steffler advised that it costs \$1,000 to \$3,000 to renew the trademarks and copyrights. This legislation will change the Treasurer's responsibility from "directed" to maintain the trademarks to "authorized".

In response to questions, **Laura Steffler** advised the committee the current value of the medallion is \$50 each. The image on the first series of medallions was five military service members from each branch of service and the second image is a bugler in a cemetery. Each of the medallions has a phrase on them that is copyrighted. There are two trademarks and 2 copyrights that originally cost \$5,000 to \$6,000 in filing fees, and they are up for renewal in 2013. The estimated cost is based on renewal fees as well as attorney fees since the Attorney General's office does not have counsel to renew them. The renewal will last for 10 years, but if they are allowed to expire and no longer protected, then someone else could use the trademark and the copyright.

**MOTION:**

**Rep. King** made a motion to send **H 425** to the floor with a **DO PASS** recommendation.

**SUBSTITUTE  
MOTION:**

**Rep. McGeachin** made a substitute motion to **HOLD H 425** in committee.

**Rep. McGeachin** stated that if the trademark and copyright are allowed to expire and others use them, it will have a possible effect on selling more at a later date. It also brings into question the value of the ones already issued.



**Rep. Luker** stated he supports the substitute motion. The renewal lasts for 10 years. It costs \$300.00 each year to protect the product in the market. The Treasurer might want to reissue them and we would want them to hold their value.

**VOTE ON  
SUBSTITUTE  
MOTION:**

**Chairman Loertscher** called for a vote on the substitute motion to **HOLD H 425** in committee. **Motion carried by voice vote.**

**H 443:**

**Rep. Hagedorn** presented **H 443**, legislation to clarify actions taken last year when a bill was passed that allowed state agencies to fly the POW/MIA flag. The bill limited the flying of the flag to the following: the state capitol building; the building that serves as the location of a district court; the building that serves as the city or town of each incorporated city or town; and the building that serves as the main administrative building of each county. This did not allow the flag to be flown at the Veterans Memorial, the Veterans Cemetery or at the Statue of Lincoln across from the Capitol. This legislation would authorize the Division of Veterans Services to determine the proper protocol for the location and display of flags and will be consistent with other areas of the United States.

In response to questions, **Rep. Hagedorn** stated there would not be a competing agency problem with giving the authorization to the Division of Veterans Services. The national standard for the proper protocol on where flags are to be flown is developed by protocol officers at the Pentagon. At the national level they work with all groups that want to have a say. The Division of Veterans Services is able to use this resource and apply it to flags flown on state properties. This legislation is only for state properties and the purpose is to put some rules in place with the Division of Veterans Services directing the proper protocol.

**MOTION:**

**Rep. Simpson** made a motion to send **H 443** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Hagedorn** will sponsor the bill on the floor.

**ADJOURN:**

There being no further business to come before the committee; the meeting was adjourned at 10:21 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
8:30 A.M.  
Room EW40  
Wednesday, February 08, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">H 444</a>	Proposal to Treat Legislators the Same as All Other Elected Officials with Respect to Accumulated Service Time for PERSI Benefits	Rep. Lake
<a href="#">H 392</a>	Removal of All Reference to Presidential Primary or Presidential Preference Primary and Holding Primary Elections on the First Tuesday of August in Even Numbered Years	Rep. Loertscher

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, February 08, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None

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

**Chairman Loertscher** called the meeting to order at 8:30 a.m.

**H 444:** **Rep. Lake** presented **H 444**. In 1985, the Legislature set up a retirement system for elected officials with PERSI. **S 1603** allows legislators to forego using a blended method of accumulated service time. A legislator can count their service time as a legislator and then spike their benefits by getting a position with higher pay. The purpose of **H 444** is to treat legislators the same as all other elected officials with respect to accumulated service time for PERSI benefits. **Rep. Lake** responded to the issue of establishing July 1, 2012, as the date in which a current legislator must leave the Legislature in order to have his retirement allowance calculated under the current rule. Quoting from the Attorney General's opinion dated February 6, 2012, "There is no reasonable expectation of getting a non-legislative job with a PERSI employer that would last long enough and would pay an amount high enough to enable him to benefit and "spike" his retirement benefit." And to summarize, "It does not appear **H 444** would permit a claim to a property right in a retirement calculation that is hedged upon a fulfillment of a series of unpredictable steps in order to qualify."

In response to questions, **Rep. Lake** stated the estimated cost savings to the State with this proposed change is small. Since 1990, only 257 legislators have qualified. As an elected official, legislators are considered part-time and accumulate service time at 20 hours per week. Under existing law, legislators' retirement benefits are based on their last 42 months of service. A legislator accumulating benefits based on his current salary could take a much higher paying position for example, \$80,000, and "spike" their benefit. This proposed legislation would change this to a blended or "aggregate" formula as calculated by PERSI for all other elected officials.

**MOTION:** **Rep. McGeachin** made a motion to send **H 444** to the floor with a **DO PASS** recommendation.

**SUBSTITUTE  
MOTION:** **Vice-Chairman Crane** made a substitute motion to **HOLD H 444** in committee.

**Vice-Chairman Crane** noted that it is demeaning to state that a legislator's job is a part-time position. No one is getting rich from retirement benefits and this will discourage others from pursuing this field. He stated that we should look at removing health benefits, PERSI, travel reimbursement, and just offer a straight salary.

**Rep. Simpson** spoke in favor of the substitute motion. The 2009 Legislature voted to remove the pay increase. We can't eliminate all incentive to be here.

**Rep. Luker** stated it is not a constitutional issue to legislate how a potential future position may impact retirement benefits. The real issue is that while legislators get retirement credit for serving in the Legislature, what impact does another job later have on it? Rep. Luker would like more specific information.

**Rep. Anderson** stated the reasoning behind **S 1603** in 1990 was regional appointments are limited to those in the Treasure Valley and do not include others throughout the State. He supports the substitute motion since the debate in 1990 is not a part of the discussion today.

**AMENDED  
SUBSTITUTE  
MOTION:**

**Rep. Luker** made an amended substitute motion to **HOLD 444** in committee at the discretion of the Chair until more information is received.

**Rep. Batt** stated that she supports the amended substitute motion because she has additional questions regarding benefits for leaving prior to July 1, 2012, versus after that date.

**ROLL CALL  
VOTE:**

Roll call vote was requested on the amended substitute motion for **H 444**. **Motion carried by a vote of 14 AYE, 5 NAY. Voting in favor of the motion: Reps. Loertscher, Crane, Stevenson, Andrus, Bilbao, Luker, Palmer, Guthrie, McGeachin, Sims, Batt, Smith, King, Buckner-Webb. Voting in opposition to the motion: Reps. Anderson, Black, Simpson, Henderson, Higgins.**

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**H 392:**

**Rep. Loertscher** presented **H 392**, legislation that accomplishes the same as **H 391**; removes the presidential preference primary. The bill will also move the date of the primary election to the first Tuesday after the first Monday in August. Filing would begin in May. Rep. Loertscher stated it was difficult to file during the session, this year more than other years, since filing begins on February 27th. Legislators will not be able to raise funds or campaign during the time they are in session, but their opponents will. Rep. Loertscher stated that historically turnouts for primaries in Idaho are low whether in May or August. The current filing date also creates an accountability issue since the majority of the legislation will be decided after the filing date. It will be a chance for the people of Idaho to evaluate how legislators voted.

In response to committee questions, **Rep. Loertscher** stated that the presidential preference primary and moving the date of the primary election both pertain to the same issue and they need to stay together in **H 392**. Rep. Loertscher advised that he has spoken to voters and they are tired of elections and campaigns lasting so long.

**Kristina Glascock**, Twin Falls County Clerk; **Abbie Mace**, Fremont County Clerk; and **Christine Boulter**, Jefferson County Clerk, testified in **opposition to H 392**. Points of opposition included: voters have their plate full this year with redistricting, the caucus, and voter registration. There are no extra funds to help with staffing an election. There is limited time to clean up after the primary election and then get ready for the general election. August elections present a problem with contacting school officials to hold the elections there as well as the cost. In August, county clerks are also involved in the budget process. For a lot of rural areas, the fair is held in August. This bill would help the legislators but not the voters.

In response to questions, **Christine Boulter** stated that voter turnout in May is in the upper 30%, but it depends on the year and the election.

**Veda Mascarenas**, Caribou County Clerk; and **Betty Dressen**, Payette County Clerk; testified in opposition to **H 392**. Points of opposition included: moving the

primary to August presents a burden for a small office. It will also be difficult to find poll-workers in August.

In response to committee questions, **Betty Dressen**, stated that for Payette County the percentage of absentee ballots in the May primary is 25%. She would hope for the same turnout in August.

**Phil McGrane**, Chief Deputy Clerk, Ada County; testified only that redistricting is taking so long and that it presents a challenge to the counties as well as the filing date, March elections, and voter identification.

In response to questions, **Mr. McGrane** stated he will know more in a week if they can meet the deadlines for this year's May primary. Mr. McGrane also stated that since all participants in the caucus must be a registered member; the clerks are participating in registration efforts for both parties.

**Brad Jackson**, Chief Deputy Clerk, Canyon County; and **Dan Green**, Kootenai County Commissioner; testified **in opposition to H 392**, stating they are not in favor of moving the primary election. Additional points of opposition included: finding polling places in August and adding new precincts is not an easy process if redistricting is to occur.

In response to questions, **Mr. Jackson** stated that moving the primary election a matter of days or weeks could be looked at; just not August.

**Susan Peterson**, Latah County Clerk; and **Patti Weeks**, Nez Pierce County Clerk; testified **in opposition to H 392**. Points of opposition included: voters are not used to holding the primary election in August. After an election, everything is in lockdown for 20 days in case of a contested election and then the counties must clean up. This is too close to the general election and divides the focus of the support staff and their ability to do a good job.

**Ben Ysursa**, Secretary of State, testified **in opposition to H 392**. Mr. Ysursa stated redistricting is not complete at this time. There are legal limits on HAVA funds for the larger counties such as Ada and Canyon. Mr. Ysursa stated the first time the primary election was held was in May of 1980, the turnout was 40%. Lately, the turnout has been 25%, but May is better for voter turnout. Also, due to federal laws on absentee ballots, holding the primary in August would hamper the general election.

In response to questions from the committee, **Mr. Ysursa** stated that he is open to looking at moving this year's primary election from a few days to a week. His office has offered funds for the larger counties and he has pledged staff and overtime.

**Rod Beck**, Region IV Chairman of the Republican Party; testified **in support of H 392**, stating the Idaho Republican Party supports moving the primary to August. He stated the reason for moving the primary from August to May originally was due to the presidential primary. The Democrats have always had a caucus and now the Republicans will. Moving the primary to August will shorten the election process. Currently, campaigning begins in March or April and mailboxes are flooded with campaign flyers. Fund raising occurs in September and October and moving the primary election would not change this.

In response to questions from the committee, **Mr. Beck** stated the military can vote for the commander-in-chief in the general election but there is no provision for the military to vote in the caucus since the caucus is a meeting and you must be in

attendance.

**Rep. Loertscher** closed out testimony on **H 392** by stating that moving the primary to August was chosen because we have August dates in our consolidated elections. Legislators shouldn't be in the mind-set that just because we have always done something one way, that we can't do it another way.

**MOTION:**

**Rep. Higgins** made a motion to **HOLD H 392** in committee. In support of her motion, **Rep. Higgins** stated that she did not see the benefit of having the primary in August. She voiced concern for the counties and the work they have to do with the budget process. **Motion carried by voice vote. Reps. Palmer and Loertscher** requested to be recorded as voting **NAY**.

**ADJOURN:**

There being no further business to come before the committee; the meeting was adjourned at 10:21 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:30 A.M.  
Room EW40  
Thursday, February 09, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>H 372</u></a>	Revise Interest Rate for Violations of the Statutes Governing Mineral Extractions on State Lands to the Legal Interest Rate Set by the Idaho Treasurer	Larry Johnson Department of Lands Endowment Fund
<a href="#"><u>H 373</u></a>	Elimination of Obsolete Terms and Clarification of Language Relating to the Day-to-Day Business Operations of the Idaho State Liquor Division	Jeff Anderson Idaho State Liquor Division
<a href="#"><u>RS21217</u></a>	Elimination of Obsolete Terms and Further Clarification of Language Relating to the Day-to-Day Business Operations of the Idaho State Liquor Division	Jeff Anderson
<a href="#"><u>RS21156</u></a>	Proposal to Update Technological Standards of Information Distribution in Regard to State Agency End-of-Year Performance Reports and Strategic Plans	Ty Palmer

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: lcochrane@house.idaho.gov

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Thursday, February 09, 2012

**TIME:** 9:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None

**GUESTS:** Larry Johnson, Endowment Fund Investment Board; Jeff Anderson, Idaho State Liquor Division; Pat Hodges, Department of Lands; Jan Sylvester.

**Chairman Loertscher** called the meeting to order at 9:31 a.m.

**H 372:** **Larry Johnson**, Department of Lands Endowment Fund, presented **H 372**, legislation to revise the interest rate when someone illegally extracts minerals on state lands to the legal interest rate. The existing statute requires that an average interest rate be used to calculate damages, but this method was put into place at a time when the endowments were invested primarily in fixed income. The legal interest rate set annually by the Idaho Treasurer is widely used for determining the interest rate on legal judgments.

**MOTION:** **Rep. Black** made a motion to send **H 372** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Black** will sponsor the bill on the floor.

**H 373:** **Jeff Anderson**, Idaho State Liquor Division, addressed **H 373**, which was held in committee for a time certain until February 9, 2012. The legislation contains simple housekeeping changes to update a statute that has not been updated in years. The legislation strikes obsolete terms, deletes obsolete references to servants and in-house legal counsel, and replaces vendors with distributors. Mr. Anderson stated the issue with this bill is found in Section 1, subsection (c), when defining spirits which are sold by volume and not by weight. Leaving the word "alcohol" in the definition would include beer which is sold by weight.

**MOTION:** **Rep. Higgins** made a motion to **HOLD H 373** in committee. **Motion carried by voice vote.**

**RS 21217:** **Jeff Anderson** presented **RS 21217**, legislation to correct the issue with **H 373**. **RS 21217** will delete the use of the word "alcohol" when defining distilled spirits.

In response to questions, **Mr. Anderson** stated that distilled spirits and wine are sold by volume and beer is sold by weight. Since the Liquor Act is defining spirits, it was necessary to change the language so that it did not include beer.

**MOTION:** **Rep. Batt** made a motion to introduce **RS 21217** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Batt** will sponsor the bill on the floor.



**RS 21156:** **Ty Palmer**, citizen, presented **RS 21156**, legislation to bring Title 67 into the current standard. The proposed legislation would require each state agency to submit their strategic plans in an electronic format. Each agency would be limited to ten (10) paper copies to be kept or distributed at the will of the agency and each agency must have the report or document available on their website.

In response to questions from the committee, **Mr. Palmer** stated this legislation would apply to all state agencies covered under Title 67 that have to submit plans and reports. It would improve transparency for the agencies in addition to providing a cost savings for the state. The legislation limits the agencies to ten (10) paper copies to distribute to constitutional officers. For additional copies, people would print their own. Previously, over 100 were prepared and some mailed out.

**MOTION:** **Vice-Chairman Crane** made a motion to introduce **RS 21156**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:52 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:30 A.M.  
Room EW40  
Monday, February 13, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>RS21071</u></a>	Proposal to Consolidate the Records Functions of the State Records Center (SRC) and the Idaho State Archives (ISA) under the Direction of the Idaho State Historical Society (ISHS)	Janet Gallimore Executive Director, ISHS
<a href="#"><u>RS21141</u></a>	Proposed Act to Prevent Non-Resident Simulcast Companies from Discriminating Against Idaho Simulcast Licensees	Rep. Henderson
<a href="#"><u>RS21219</u></a>	Make the Gold Star License Plate Available to Family of a Service Member Killed While Serving on Active Duty	Rep. Wood
<a href="#"><u>RS21224</u></a>	Proposal to Designate the Blue Heeler as the State Dog	Rep. Wood

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, February 13, 2012

**TIME:** 9:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None

**GUESTS:** Janet Gallimore, Idaho State Historical Society (ISHS); Joie McGarvin, CDA Racing; Russell Westerberg, CDA Racing; B.G. Alan Gayhart, Citizen; Rod House, State Archive Division; Tony Smith, Benton Ellis; Jason Kreizenbeck, Lobby Idaho; Dave Goins, Idaho News Service.

**Chairman Loertscher** called the meeting to order at 9:30 a.m.

**Rep. Batt** made a motion to approve the minutes of February 6 and 7, 2012 as written. **Motion carried by voice vote.**

**RS 21071:** **Janet Gallimore**, Executive Director, ISHS, presented **RS 21071**, proposed legislation to consolidate the records functions of the State Records Center (SRC) and the Idaho State Archives (ISA) under the direction of the ISHS as previously presented on January 24, 2012. The first phase of the program change will be the "as-is" merger. **RS 21071** amends the existing ISHS enabling Statute 67-4126 to establish provisions for Records Management Services under the ISHS. It will also establish a records management fund to accommodate current and future cost recovery efforts to pay for services rendered. **RS 21071** also creates a new section on records management services and essentially utilizes the same language that currently exists for state records management services with two exceptions. Since each agency has distinct needs, reference to a standard filing system was deleted and electronic protocols were added.

In response to questions, **Janet Gallimore** stated that it is her understanding there will be no impact to this legislation as a result of the public records law passed last year. Records and access to them are under the jurisdiction of each particular agency. ISHS serves as a custodian of the records. Exemptions for access to records occur with permanent records such as historical documents that need to be preserved and cannot be copied.

**ORIGINAL MOTION:** **Rep. Black** made a motion to introduce **RS 21071** and send it directly to the Second Reading Calendar.

**SUBSTITUTE MOTION:** **Rep. Luker** made a substitute motion to introduce **RS 21071**.

**VOTE ON SUBSTITUTE MOTION:** **Chairman Loertscher** called for a vote on the substitute motion to introduce **RS 21071**. **Motion carried by voice vote.**

**RS 21141:** **Rep. Henderson** presented **RS 21141**, proposed legislation to prevent non-resident simulcast companies with advance deposit wagering affiliates from discriminating against Idaho simulcast licensees, by engaging in anti-competitive practices aimed at eliminating Idaho competition and Idaho jobs. There are two ways a person can wager on horse racing in Idaho. The first is through the advance deposit wagering affiliates. A person deposits money with them and then they bet on horse racing either by phone or by computer. The second is pari-mutuel betting offered at three facilities located throughout Idaho. Although there is one advance wagering company in Idaho, most of them are in Oregon. Rep. Henderson stated that advance deposit wagering companies make more money than going through Idaho's three racing facilities because betting can be placed from home. Their actions threaten the racing facilities located in Post Falls, Boise, and Idaho Falls. **RS 21141** clearly states that to operate in Idaho, advance deposit wagering companies must reach a nondiscriminatory agreement regarding signal costs with any licensed facility in Idaho and shall not engage in any anti-competitive practices.

**MOTION:** **Rep. Simpson** made a motion to introduce **RS 21141**. **Motion carried by voice vote.**

**RS 21219:** **Rep. Wood(35)** presented **RS 21219**, proposed legislation to revise provisions relating to the gold star specialty license plate. Veterans groups introduced the gold star license plate and limited it to families who have a deceased relative who died as a result of hostile action in a combat zone while serving on active duty in the United States military. **RS 21219** revises the requirements to include those "killed while serving on active duty" outside of a "combat zone". This proposed legislation will also establish provisions for a gold star-purple heart medal license plate for family members of a person killed in combat and awarded the Purple Heart.

In response to questions, **Rep. Wood(35)** clarified there are two plates, one a gold star license plate and another gold star - purple heart license plate. Family members qualify for the gold star license plate if a family member was killed while serving on active duty even if the death occurred due to, for example, an auto accident. For service members awarded the Purple Heart, family members are eligible for the gold star license plate with the purple heart emblem.

**ORIGINAL MOTION:** **Rep. King** made a motion to return **RS 21219** to the sponsor.

**SUBSTITUTE MOTION:** **Rep. Palmer** made a substitute motion to introduce **RS 21219**.

**VOTE ON SUBSTITUTE MOTION:** **Chairman Loertscher** called for a vote on the substitute motion to introduce **RS 21219**. **Motion carried by voice vote.** **Rep. King** requested to be recorded as voting **NAY**.

**RS 21224:** **Rep. Wood(35)** presented **RS 21224**, proposed legislation to designate the Blue Heeler as the state dog. Rep. Wood turned the presentation over to **Elise Thake**, citizen. Ms. Thake stated that beginning with the adoption of our Great Seal in 1891, Idaho has recognized a variety of official state symbols. It is fitting that we designate a state dog. The Blue Heeler is a working breed of dog regularly seen throughout Idaho and a common fixture on Idaho ranches. Everything about the Blue Heeler including temperament, coat, and physical structure makes it an excellent choice for Idaho's state dog. The dog is extremely intelligent and possesses a highly developed problem-solving ability. In addition, it is a trustworthy dog, loyal, and totally devoted to its work. All of the Blue Heeler's qualities make it a perfect choice for the state dog of Idaho. Ms. Thake stated it is an appropriate symbol that truly reflects the courage, hard work, perseverance, and rugged independence that typify both the proud spirit and heritage of our state.

**ORIGINAL  
MOTION:**

**Rep. King** made a motion to introduce **RS 21224**.

**Rep. Luker** stated that he would be voting no on the motion to introduce **RS 21224**. There are a lot of dog lovers in Idaho and he does not want to discriminate one breed over another.

**Rep. Andrus** stated that he would be voting no on the motion to introduce **RS 21224**. While he appreciates the blue heeler as a dog for cattle people, it is not a suitable breed for all livestock.

**Rep. Anderson** stated the Blue Heeler is recognized in Australia and New Zealand and Idaho shares a commonality with them. **RS 21224** is worthy of a hearing.

**ROLL CALL  
VOTE:**

**Rep. Andrus** requested a roll call vote on **RS 21224**. **Motion failed by a vote of 8 AYE and 11 NAY. Voting in favor of the motion: Reps. Loertscher, Anderson, Black, Henderson, McGeachin, King, Higgins, Buckner-Webb. Voting in opposition to the motion: Reps. Crane, Stevenson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Sims, Batt, Smith(30).**

**ADJOURN:**

There being no further business to come before the committee; the meeting was adjourned at 9:59 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Tuesday, February 14, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>RS21218C1</u></a>	Proposal to Require at Least One Public Election on a Proposed Bond Obligation Prior to Invoking the Judicial Confirmation Process	Rep. Hartgen
<a href="#"><u>RS21249</u></a>	Provide a Protocol for Players Suspected of Sustaining a Concussion to be Removed from Play and Not Returned to Play until Receiving Written Medical Clearance	Rep. Simpson
<a href="#"><u>H 490</u></a>	Expand Disclosure Requirements under the State Sunshine Law and Provide for Campaign Contribution Limits	Rep. Ellsworth
<a href="#"><u>H 491</u></a>	Transfer Authority for Certification of Voting Machine and Tally Systems from the Federal Election Assistance Commission to the Idaho Secretary of State	Teresa Baker Ada County

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Tuesday, February 14, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None

**GUESTS:** McKinsey Miller, Gallatin Public Affairs; Teresa Baker, Ada County; Phil McGrane, Ada County; Holly Koole, Idaho Prosecuting Attorneys Association (IPAA); Barbara Jorden, Idaho Trial Lawyers Association (ITLA); Benjamin Davenport, Risch Pisca; Marilyn Whitney, SBOE; Tim Hurst, Chief Deputy, Secretary of State; Tony Poinelli, Idaho Association of Counties, Lyn Darrington, Gallatin Public Affairs.

**Vice-Chairman Crane** called the meeting to order at 8:59 a.m.

**RS 21218C1:** **Rep. Hartgen** presented **RS 21218C1**, proposed legislation to address judicial confirmation. A local bonding entity can petition a judge that a bonding issue is necessary and does not require a vote by the people. The proposed projects involved in the bond issue often do not get a lot of exposure in the press. Once before the Court, there is no voting and very little testimony. If approved by the Court, the entity then issues the bonds. This is happening more and more. **RS 21218C1** proposes that at least one public vote be taken before any judicial confirmation and allows for any number of subsequent elections. Rep. Hartgen stated that this legislation provides an exemption for economic development projects that will provide jobs and growth with an anticipated start date of less than six (6) months. It will also require a cost/benefit analysis that includes the current levels of assessment and tax rate for any petition for judicial examination. Finally, **RS 21218C1** requires the Court to keep statistical records of cases filed under this statute for judicial examination.

In response to questions, **Rep. Hartgen** stated **RS 21218C1** addresses the increased number of petitions filed for judicial confirmation. The statute will apply to bond elections requiring a majority vote. Emergency repairs for the health and safety of the public are covered in other areas of the Idaho Code. This legislation will apply to long-term projects and not annual expenses such as equipment or vehicles. While the legislation will provides an exemption for economic development projects, it will require a vote if the project will not be started for more than six (6) months.

**MOTION:** **Rep. Henderson** made a motion to introduce **RS 21218C1**. **Motion carried by voice vote.**

**RS 21249:** **Rep. Simpson** presented **RS 21249**, proposed legislation to protect Idaho's youth. **RS 21249** allows for the removal of a student athlete from a game due to a concussion within the standards of the Center for Disease Control (CDC) as well as through a link on the internet website of the State Board of Education and the Idaho High School Activities Association. **RS 21249** provides for the following: access to concussion guidelines; signed confirmation by the youth athlete and parents or guardians that they have reviewed the guidelines; removal of the youth athlete from play; required written clearance to return to play; removal from practice due to signs or symptoms of a concussion; definition of a qualified health care professional; protection from claims of negligence in a civil action; and application of the statute to youth sport organizations or associations.

In response to questions, **Rep. Simpson** clarified this legislation excludes a family member from providing clearance for the youth to return to the game or practice and requires an independent person to provide authorization. All youth participating in the sports as well as all those associated with the game will be given the same guidelines on concussions from the CDC. **Rep. Simpson** stated **RS 21249** will provide protection for a coach from a claim of negligence in a civil action. **Rep. Simpson** explained there will be more than one person looking at the health and safety of the athletes as referees are also required to remove players from the game when necessary.

**MOTION:** **Rep. Anderson** made a motion to introduce **RS 21249**. **Motion carried by voice vote.**

**H 490:** **Rep. Ellsworth** presented **H 490**. The bill would expand the disclosure requirements under the State Sunshine Law to include recall elections. The definition of "measure" is expanded to include recall election for statewide or legislative district offices. **H 490** also establishes campaign contribution limits for recall elections.

**MOTION:** **Rep. Bilbao** made a motion to send **H 490** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Ellsworth** will sponsor the bill on the floor.

**H 491:** **Teresa Baker**, Ada County, presented **H 491**. The proposed bill has three main purposes: introduce competition to lower the price of elections and election equipment to the counties since there is only one vendor in Idaho and larger counties have been charged more; allow technology of election equipment to advance and take advantage of faster accounting results and technology that is working in other states; and allow Idaho to take back authority from the federal government through the Election Assistance Commission (EAC). Ms. Baker does not envision the Secretary of State developing their own testing system, but instead they will go through an independent testing lab to meet federal standards. Ms. Baker indicated that the Secretary of State wants an amendment to **H 491** which is acceptable to Ada County and the Idaho Association of Counties. The amendment to be added to Section 34-2409, reads as follows: "Except for functions or capabilities unique to this state, voting machines and vote tally systems shall be tested and the results certified by an independent testing authority designated by the Secretary of State prior to certification."

**Tim Hurst**, Chief Deputy, Secretary of State, testified in support of **H 491**. Mr. Hurst stated that in the past the cost for election equipment was based on the ability to pay. The Secretary of State's office worked with the vendor and requested one price for everyone, not a price based on the size of the county. Mr. Hurst reiterated that the Election Assistance Commission has not certified any equipment to date and has not met for the past year. There are certified testing labs located outside of Idaho that test the software, security, and reliability of the election equipment.



The Secretary of State's office is not capable of doing this. They want to rely on an independent testing source and partner with Washington and Oregon to use their expertise.

In response to questions, **Mr. Hurst** stated there is no fiscal impact with this legislation since the vendors pick up the cost.

**Phil McGrane**, Ada County, testified **in support of H 491**, stating it is frustrating to deal with only one vendor in Idaho and **H 491** will remove that barrier.

**MOTION:** **Rep. Smith** made a motion to send **H 491** to General Orders. **Rep. Simpson** seconded the motion. **Motion carried by voice vote.** **Rep. Crane** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:55 a.m.

---

Representative Crane  
Vice-Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Wednesday, February 15, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>RS21199C1</u></a>	Revise Provisions Relating to Burial or Cremation of Unclaimed Bodies	Rep. Bilbao
<a href="#"><u>RS21062</u></a>	Provide for Vacancies in Elective Civil Offices Upon the Occurrence of Certain Specified Conditions	Rep. Trail
<a href="#"><u>RS21020C1</u></a>	Proposal to Clear State Liens and Help in Correcting Erroneous Credit Reports	Jeff Harvey, Office of the Secretary of State
<a href="#"><u>RS21021</u></a>	Adoption of the International Classification of Goods and Services for all Trademark Filings	Jeff Harvey
<a href="#"><u>RS21024</u></a>	Proposal to Disallow Use of Language which Falsely States or Implies Government Affiliation by Business Entities	Jeff Harvey

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, February 15, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative Simpson

**GUESTS:** Jeff Harvey, Secretary of State.

**Chairman Loertscher** called the meeting to order at 9:00 a.m.

**Rep. Higgins** made a motion to approve the minutes of February 8 and 9, 2012 as written. **Motion carried by voice vote.**

**RS 21199C1:** **Rep. Bilbao** presented **RS 21199C1**, proposed legislation to address the cost of burial for the indigent. More and more people are not claiming the bodies due to the economy. County coroners have had their budgets reduced and they do not have the funds to bury them. **RS 21199C1** will allow the County Coroner and the County Commissioners to determine how to dispose of the body when no one claims the body after fourteen (14) days; either burial by grave or by cremation. There is a \$200 to \$300 cost savings when utilizing cremation instead of burial by grave. Rep. Bilbao stated that if there is any personal property left unclaimed, then it is disposed of by the Coroner and County Commissioners.

In response to questions, **Rep. Bilbao** stated that after cremation the remains are buried. The difference in cost between cremation and burial by grave is due to the cost of a casket.

**MOTION:** **Rep. Higgins** made a motion to introduce **RS 21199C1**. **Motion carried by voice vote.**

**Chairman Loertscher** informed the committee that **Rep. Trail** would not be presenting his proposed legislation, **RS 21062**.

**RS 21020C1:** **Jeff Harvey**, UCC Supervisor, Office of the Secretary of State, presented **RS 21020C1**. State liens transitioned from the offices of the county recorders to the Secretary of State from January 1, 1998 to June 30, 1998. The county recorders have abandoned those liens under the assumption they expired in five (5) years. The county recorders maintain a list of lien filings but not their current status. Mr. Harvey stated that credit reporting agencies gather information on the liens but find no termination documents so they continue to report them. The Department of Labor, the State Tax Commission, the Idaho Association of Counties, and the Ada County recorder have all determined that the best course of action is to invalidate any lien filed with a county recorder before July 1, 1998. This legislation will make it clear that the liens filed before July 1, 1998, are no longer in effect. Any person affected by this will be able to present this amendment to the credit reporting agencies to clear their credit reports.

In response to questions, **Mr. Harvey** stated the Secretary of State's database on liens as well as the archives are available on-line. This legislation will pertain only to personal property liens and does not include real property. Mr. Harvey stated the Secretary of State's office has not contacted or spoken with any of the credit

reporting agencies to ensure the language that will be utilized to report the status of these liens is acceptable to them.

**MOTION:** **Rep. Stevenson** made a motion to introduce **RS 21020C1**. **Motion carried by voice vote.**

**RS 21021:** **Jeff Harvey**, Office of the Secretary of State, presented **RS 21021**, proposed legislation to address classifications for trademarks. Mr. Harvey stated the amendment to Section 48-504 will allow the Secretary of State's office to first examine any trademark application rather than accepting the document at face value. In addition, **RS 21021** addresses the registration of trademarks in Idaho and the determination of classification of what type of goods or service is provided under the mark. The United States Patent and Trademark Office (USPTO) developed the U.S. Classification of Goods and Services. Mr. Harvey explained the USPTO abandoned its own classification in favor of the International Classification of Goods and Services, but Idaho continued to use the U.S. classification. In 1996, Idaho adopted the Model State Trademark Act requiring the use of the international classification. Trademarks filed before 1996 are directed to use the classification system "in effect when the trademark was approved" upon renewal. The maintenance of two different classification systems is a concession that was used to ease the transition from the prior trademark laws into the new laws enacted in 1996. Mr. Harvey stated that after 16 years, it is time to complete the transition and this proposed amendment will require a trademark renewal to use the international classification.

In response to questions, **Mr. Harvey** stated that each trademark has a ten-year life span, and upon renewal, they will pick up the international classification.

**MOTION:** **Rep. Luker** made a motion to introduce **RS 21021** with the following change: on Page 2, Line 30, change the word "extend" to "expand". **Motion carried by voice vote.**

**RS 21024:** **Jeff Harvey**, Office of the Secretary of State, presented **RS 21024**, proposed legislation to provide uniformity among the statutes in disallowing the use of language which falsely states or implies government affiliation by business entities. Mr. Harvey stated this past year the Secretary of State's office has seen an increase in filings of unusual business names. Corporations are prohibited from using any government affiliations in their business names. This legislation will correct any discrepancies by prohibiting any limited liability company (LLC) or limited partnership (LP) from falsely stating or implying government affiliation.

In response to questions, **Mr. Harvey** explained this legislation is not retroactive. This legislation's authority is solely for registering the name of a business. Mr. Harvey explained that it is built into the statutes to contest any denial by the Secretary of State when registering a business name. It is not an administrative appeals process, but through the judicial system.

**MOTION:** **Rep. Stevenson** made a motion to introduce **RS 21024**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:32 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

**AGENDA**  
**HOUSE STATE AFFAIRS COMMITTEE**  
**9:00 A.M.**  
**Room EW40**  
**Thursday, February 16, 2012**

<b>SUBJECT</b>	<b>DESCRIPTION</b>	<b>PRESENTER</b>
<a href="#"><u>RS20872C1</u></a>	Provide for Vacancies in Elective Civil Offices Upon the Occurrence of Certain Specified Conditions	Rep. Trail
<a href="#"><u>RS21262</u></a>	Provide Disclosure of Electricity Rate Impacts Associated with Large Capital Expenditures Anticipated to be Submitted to the Public Utilities Commission for Inclusion into Rates and Tariffs	Rep. Gibbs
<a href="#"><u>RS21284</u></a>	Create a Federal Health Care Reform Oversight Committee to Provide Policy Direction and Recommendations for Compliance and Implementation of any Federal Health Care Initiative	Rep. McGeachin
<a href="#"><u>RS21300</u></a>	Resolution to Honor the Lifetime Achievements of Steven R. Appleton and his Professional and Personal Contributions to the State of Idaho	Mike Reynoldson Micron Technology

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Thursday, February 16, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative Simpson

**GUESTS:** Joie McGarvin, Westerberg & Associates; Russell Westerberg, Rocky Mountain Power; Jesse Taylor, Westerberg & Associates; Rocky Barker, Idaho Statesman; Ray Amaya, KBOI Radio; Clark Corbin, Post Register; Tony Smith, Benton Ellis; Kent Lauer, Idaho Farm Bureau; Neil Colwell, Avista; Rich Hahn, Idaho Power; Will Hart, Idaho Consumer-Owned Utilities Association; Mike Reynoldson, Micron; Elizabeth Criner, J.R. Simplot Company; Lee Flinn, AARP.

**Chairman Loertscher** called the meeting to order at 9:01 a.m.

**RS 21284:** **Rep. McGeachin** presented **RS 21284**, proposed legislation to create a Federal Health Care Reform Oversight Committee. **RS 21284** will put in place a committee to provide oversight regarding any federal health care initiative, law or regulation including the Patient Protection and Affordable Care Act of 2009 (PPACA). The committee will be based on true free-market reforms and principles and monitor what the state is already providing with what the federal laws require. The committee will meet at the call of the chair. It will consist of five members each from the Senate and the House with majority and minority party representation. Rep. McGeachin estimated that it will cost \$2,400.00 each time the committee meets and these funds will come from existing legislative budgets.

In response to questions, **Rep. McGeachin** stated the issue of a health insurance exchange has not been debated. **RS 21284** is to provide for a committee to provide oversight of the PPACA. This proposed committee will not replace the health care taskforce. That committee is not set in code and has no clear legislative intent or direction. Rep. McGeachin stated this proposed committee will make recommendations to the Legislature as a whole on whether the Legislature should prohibit the State's compliance with, or participation in, federal health care reform. She further stated that Idaho is a sovereign state and it is unconstitutional for the federal government to compel a state to abide by a federal law.

**ORIGINAL MOTION:** **Rep. Bilbao** made a motion to introduce **RS 21284**.

**SUBSTITUTE MOTION:** **Rep. King** made a substitute motion to return **RS 21284** to the sponsor. Rep. King stated the legislation is not in the best interest of the people of Idaho.

**VOTE ON SUBSTITUTE MOTION:** **Chairman Loertscher** called for a vote on the substitute motion to return **RS 21284** to the sponsor. **Motion failed by voice vote.**

**VOTE ON ORIGINAL MOTION:** **Chairman Loertscher** called for a vote on the original motion to introduce **RS 21284**. **Motion carried by voice vote.** Rep. King requested to be recorded as voting **NAY**.

**RS 21262:** **Rep. Gibbs** presented **RS 21262**, proposed legislation to provide disclosure and transparency for large capital expenditures by regulated electric utilities. This legislation creates a new section of Idaho Code, Section 61-502C, to disclose a major plan of expansion or capital investment. Rep. Gibbs stated the intent of the legislation is to disclose large capital expenditures so that consumers are informed and can plan for future energy rates.

In response to questions, **Rep. Gibbs** introduced **Trent Clark**, Director of Government Affairs, Monsanto Company. Mr. Clark stated this legislation does not include consumer-owned utility companies but rather focuses on investor-owned. The Public Utilities Commission (PUC) sets the energy rates, and this legislation will give the commission the ability to answer and make readily available what projects are coming down the pike and the potential rate increases. It will require utility companies to post information on their front doors so the public doesn't have to go through the process of reviewing volumes of documents and then have to sign a confidentiality agreement. Mr. Clark stated that while the Integrated Resource Planning (IRP) currently addresses rate increases, this proposed legislation will address large capital expenditures that have a significant impact on the rate payer.

**MOTION:** **Rep. Anderson** made a motion to introduce **RS 21262**. **Rep. Anderson** invoked Rule 38 stating a possible conflict of interest but that he would be voting on the motion. **Motion carried by voice vote.**

**RS 20872C1:** **Rep. Trail** presented **RS 20872C1**, proposed legislation to provide for vacancies in elective civil offices upon the occurrence of certain conditions. **RS 20872C1** defines a civil office to be vacant before the expiration of the term of office and upon any of the following events: resignation, death or removal of the incumbent by lawful procedure. **RS 20872C1** addresses previous concerns regarding the decision of a competent tribunal to declare an elective office vacant due to apparent abandonment or prolonged incapacity or absence. **RS 20872C1** will require a time period in excess of ninety (90) days. Rep. Trail stated this legislation will assist smaller government bodies that might not have a quorum to meet. Rep. Trail advised the committee that the Attorney General has reviewed the legislation and the proposed time period in excess of ninety (90) days. The Attorney General issued an opinion dated January 31, 2012, stating "to protect against an arbitrary application of this provision, it may be worthwhile to include a requirement that the Board member's absence and lack of communication is reflected within the minutes."

**MOTION:** **Rep. King** made a motion to introduce **RS 20872C1**. **Motion carried by voice vote.**

**RS 21300:** **Mike Reynoldson**, Micron Technology, presented **RS 21300**, a proposed resolution to honor the lifetime achievements of Steven R. Appleton and his professional and personal contributions to the State of Idaho. On February 3, 2012, Idaho lost a friend in Steve Appleton. His positive impact on the state will be felt for years to come. When he started at Micron in 1983 as employee #298, Micron was a small Idaho company. Under his direction, Micron went global. Mr. Reynoldson stated that Steve Appleton was a motivator, always in charge, and accessible to all. He was a humble person and thankful for the opportunities afforded him, but he had earned them. He had respect for and was a student of the Legislature and the government process.

**MOTION:** **Rep. Stevenson** made a motion to introduce **RS 21300** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Palmer** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:49 a.m.



---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Friday, February 17, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>RS21279</u></a>	Legislation to Modify the State Hiring Preference Standards for Veterans and Provide Extra Hiring Points to the Spouse of a Veteran with Service Connected Disabilities	Rep. Hagedorn
<a href="#"><u>RS21225</u></a>	Memorial to Urge the FCC and Idaho Congressional Delegation to Utilize the Universal Service Fund, the Connect America Fund, and Other Resources to Accelerate the Development of Broadband Telecommunications in Rural Idaho	Rep. Rusche
<a href="#"><u>RS21276</u></a>	Legislation to Provide that State Agencies Shall Not Follow or Apply any Statement in an Agency Guidance Document that Meets the Definition of a "Rule" until the Statement has been Adopted as a Rule through the Rulemaking Process	Dan Steenson
<a href="#"><u>RS21293</u></a>	Legislation to Clarify Reporting Requirements of the Filling of Prescriptions by Veterinarians	Rep. Loertscher

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Friday, February 17, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Black, Anderson

**GUESTS:** Camille Luna, Batt Associates.

**Chairman Loertscher** called the meeting to order at 9:03 a.m.

**RS 21279:** **Rep. Hagedorn** presented **RS 21279**, proposed legislation to modify the state hiring preference standards for veterans enabling them a better chance of landing a state job. Currently, Idaho has an unemployment rate of 8.4%. The unemployment rate for veterans is 1.5 to 2% above the standard rate for the rest of the population. The legislation is a proposal from the Department of Labor (DOL) and the veterans groups to lower the unemployment rate for veterans to the same rate as the rest of the population.

In response to questions, **Rep. Hagedorn** explained that the Veterans Affairs (VA) determines disabilities and then provides a rating. An injury might be recognized as a disability, but rated at 0% and deemed not worthy of payment. **RS 21279** will strike the requirement to have a 10% disability for veterans preference and will allow recognition of those rated at 0%. The DOL and veterans groups feel it is a limiting factor when hiring veterans and a reason for the high unemployment rate. Rep. Hagedorn stated this proposed legislation will also remove the hiring preference limited only to those who served in a specific conflict. **RS 21279** will also remove the limitation that preference applies only to the initial hiring, and a qualified veteran will also receive preference for any subsequent promotions. In addition, **RS 21279** will provide 5% hiring points for spouses of a veteran with a service-connected disability. Rep. Hagedorn stated that a veteran with a service-connected disability is typically harder to employ and very dependent on their spouse's employment. This will give the spouse the ability to support the veteran during his or her recovery.

**MOTION:** **Rep. Simpson** made a motion to introduce **RS 21279**. **Motion carried by voice vote.**

**RS 21225:** **Rep. Rusche** presented **RS 21225**, a proposed memorial to urge the Federal Communications Commission (FCC) and the Idaho congressional delegation to accelerate the development of broadband telecommunications in rural Idaho through the use of available funds and resources. Rep. Rusche stated that Idaho has the least amount of and the slowest broadband technology in the United States. This memorial urges the FCC to utilize the Universal Service Fund, a charge applied to telephone lines, as well as the Connect America Fund, to promote broadband technology in frontier states like Idaho. Rep. Rusche noted this memorial requests that focus is directed to develop broadband technology in areas of Idaho where it is necessary for the public's health and safety such as hospitals and to further promote commerce.

In response to questions, **Rep. Rusche** stated the FCC has changed the focus of the Universal Service Fund and directed the money to specific companies rather

than specific locations. While the Public Utilities Commission (PUC) currently has no regulatory role in the area of broadband technology, it does have control over the Idaho Universal Service Fund as well as telecommunications. Rep. Rusche advised this memorial will encourage them to take a lead role.

**MOTION:** **Rep. King** made a motion to introduce **RS 21225**.

**SUBSTITUTE MOTION:** **Rep. Luker** made a substitute motion to introduce **RS 21225** with the following changes: on Page 1, Line 20, insert "existing" in front of the word "fiber" and delete the words "along Highway 95 and Interstate 90, and replace it with "throughout rural Idaho".

**VOTE ON SUBSTITUTE MOTION:** **Chairman Loertscher** called for a vote on the substitute motion to introduce **RS 21225** with the following changes: on Page 1, Line 20, insert "existing" in front of the word "fiber" and delete the words "along Highway 95 and Interstate 90, and replace it with "throughout rural Idaho". **Motion carried by voice vote.**

**RS 21276:** **Dan Steenson**, Esquire, presented **RS 21276**, proposed legislation to provide regulatory reform to existing statutes on administrative procedures regarding agency guidance documents. Mr. Steenson explained that agency guidance documents are considered to mean all written documents that are intended to guide agency actions affecting the rights or interests of persons outside the agency and includes memoranda, manuals, policy statements, and interpretation of laws or rules. Mr. Steenson stated **RS 21276** will require that any statement in an agency guidance document that meets the definition of a "rule" shall not be followed or applied by any agency until the statement is adopted as a rule through rulemaking. A rule is defined as whole or part of an agency's statement that describes their policies and practices and will not be effective until adopted by the rulemaking process.

**MOTION:** **Rep. Crane** made a motion to introduce **RS 21276**.

**Mr. Steenson** clarified that this proposed legislation **RS 21276** will not hamper the ability of an agency director to change a process mid-year outside of the legislative session. This legislation will not affect their statutory ability to make emergency rules and the temporary rule process would remain in effect.

**VOTE ON MOTION:** **Chairman Loertscher** called for a vote on the motion to introduce **RS 21276**. **Rep. Batt** invoked Rule 38 stating a possible conflict of interest. **Motion carried by voice vote.**

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**RS 21293:** **Rep. Loertscher** presented **RS 21293**, proposed legislation to clarify the reporting requirements of the filling of prescriptions by veterinarians. **RS 21293** addresses the requirement to report the dispensing of controlled substances on a weekly basis. Veterinarians were included in this rule because there was not an exemption for them. **RS 21293** will provide an exemption for veterinarians by adding the language "dispensed for humans". Rep. Loertscher stated the Director of the Pharmacy Board provided the language for this proposed legislation.

In response to questions, **Rep. Loertscher** explained that while veterinarians are required to report weekly all controlled substances, the amount prescribed for pets is so small that it would not harm a human. Veterinarians have to maintain very expensive software to meet this required reporting and some may only have one (1) prescription per week. Some of the veterinarians were completing this requirement on paper and then the Pharmacy Board had to as well. Rep. Loertscher noted there have never been any problems with veterinarians dispensing controlled substances.

**Rep. Loertscher** invoked Rule 38 because a member of his family is a veterinarian in the State of Idaho, but stated that he would be voting on the legislation.

**MOTION:**        **Rep. Stevenson** made a motion to introduce **RS 21293. Motion carried by voice vote.**

**Chairman Loertscher** recognized Page **Jakob Goold** for his service for the State Affairs Committee.

**ADJOURN:**        There being no further business to come before the committee; the meeting was adjourned at 9:59 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

**AMENDED #1 AGENDA**  
**HOUSE STATE AFFAIRS COMMITTEE**  
**8:45 A.M.**  
**Room EW40**  
**Monday, February 20, 2012**

<b>SUBJECT</b>	<b>DESCRIPTION</b>	<b>PRESENTER</b>
<a href="#"><u>RS21222</u></a>	Revise Provisions Relating to the Peace Officer and Detention Officer Temporary Disability Act	Paul Jagosh Idaho Fraternal Order of Police
<a href="#"><u>RS21288</u></a>	Changes in Election Procedures and Requirement to be Affiliated with a Political Party in Order to File for Partisan Office to be Voted on at the Primary Election	Tim Hurst, Chief Deputy Secretary of State
<a href="#"><u>RS21228</u></a>	Clarify Procedures for Opening Absentee Ballot Envelopes and Providing for In-Person Absentee Voting and "Early Voting"	Tim Hurst
<a href="#"><u>RS21197</u></a>	Public Notice and Ballot Requirements for Levy Elections	Rep. Simpson
<a href="#"><u>H 452</u></a>	Requirement for Taxing Districts to Provide a Statement of Purpose in Bond Elections	Rep. Simpson

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, February 20, 2012

**TIME:** 8:45 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Stevenson, Henderson, Smith(30)

**GUESTS:** John Watts, Veritas Advisor and Russ Hendricks, Idaho Farm Bureau Federation.

**Chairman Loertscher** called the meeting to order at 8:45 a.m.

**RS 21222:** **Paul Jagosh**, Legislative Advisor, Fraternal Order of Police, presented **RS 21222**, proposed legislation to provide a full salary to employees in certain dangerous occupations whom have been injured on the job. The Peace Officer and Detention Officer Temporary Disability Act was enacted in 2007 to fill the gap between workers' compensation and an officer's full-time pay. It provides coverage for an officer injured in the performance of his or her duties when responding to an emergency or in the pursuit of an actual or suspected violator of the law. A few years ago, officers from the Idaho State Police responded to an accident on the freeway. The officers were subsequently struck by a passing motorist, but they were not covered under the Temporary Disability Act. Mr. Jagosh stated that **RS 21222** will address this and include officers who are injured as a result of the actions of another person. Mr. Jagosh further explained that monies for the fund come from a \$3.00 fine imposed for each felony or misdemeanor conviction. The current balance in the fund is \$560,000.00. **RS 21222** provides a sunset clause for 2015. Mr. Jagosh noted it is very difficult to forecast funds, but if they are still available, the law can be rewritten.

**MOTION:** **Rep. Simpson** made a motion to introduce **RS 21222**. **Motion carried by voice vote.**

**RS 21288:** **Tim Hurst**, Chief Deputy, Office of the Secretary of State, presented **RS 21288**, proposed legislation to address changes in procedures due to election consolidation. Mr. Hurst stated that **RS 21288** provides updated procedures for the election of supervisors for the soil conservation districts, addresses when a general recount is ordered, and allows for recall elections for school board trustees by zone. Mr. Hurst explained that **RS 21288** will expand the affiliation card, an "unaffiliated" voter may affiliate with the party of their choice by completing an affiliation form up to and including the election day. **RS 21288** will require that all candidates declare their party affiliation at the time of filing.

In response to questions, **Mr. Hurst** verified that the last four digits of a person's social security number can be used to register to vote if the person does not have a driver's license or state identification card. Use of the social security number is allowed under the Help America Vote Act. The statewide voter registration compares the last four digits with the Social Security Administration's database to verify the status of a person. While the statutes allow a passport to be used at the polls for identification, it cannot be used for registration.

**MOTION:** **Rep. King** made a motion to introduce **RS 21288**. **Motion carried by voice vote.**

**RS 21228:** **Tim Hurst**, Chief Deputy, Office of the Secretary of State, presented **RS 21228**, proposed legislation to clarify procedures for absentee ballots and to provide for in-person absentee voting and "early voting". Mr. Hurst explained that absentee ballots will be able to be counted at a central location or at the precincts. The ballots may be opened no earlier than 8:00 a.m. on the Monday before the election to lay flat before running them through the tabulators. **RS 21228** requires each county to submit a detailed plan to the Secretary of State for the security of these opened ballots. Mr. Hurst noted that **RS 21228** provides an alternative to absentee voting; early voting. Early voting will be allowed to begin on the third Monday before the election. Voters would sign a poll book, complete their ballot, and then place it in a secure ballot box with a tamper proof seal. The election official will record that the elector has voted. They must have access to the statewide voter registration to ensure that electors do not come back and vote again in the polls.

In response to questions, **Mr. Hurst** noted that **RS 21228** addresses poll watchers and requires them to be informed if the ballots are opened early. Mr. Hurst explained that ballots are not opened prior to being counted at the polls. The process hasn't changed. Mr. Hurst noted that early voting provides a cost savings and responds to concerns about opening absentee ballots early. Mr. Hurst stated that 60% of Ada County's absentee ballots are in fact early voting. It is easier to vote early and place the ballot in a poll box rather than having to complete an absentee ballot.

**MOTION:** **Rep. Higgins** made a motion to introduce **RS 21228**. **Motion carried by voice vote.**

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**RS 21197:** **Rep. Simpson** presented **RS 21197**, a revision to his previously proposed legislation on levy elections. **RS 21197** will address permanent override levy elections. The proposed legislation will require an official statement of purpose for the ballot which includes the dollar amount and length of time the levy will be assessed.

**MOTION:** **Rep. Bilbao** made a motion to introduce **RS 21197** with the following change: on Page 1, line 12, insert "(1)" after 63-802. **Motion carried by voice vote.**

**H 452:** **Rep. Simpson** presented **H 452**, a bill to provide ballot measures for bond elections. Rep. Simpson stated that currently Section 34-439, Idaho Code, does not require a statement of purpose for bond elections. Rep. Simpson stated that **H 452** will provide more transparency and it is modeled after legislation in Georgia. The statement of purpose will require the amount of the bond as well as the interest.

In response to questions, **Tim Hurst**, Chief Deputy, Office of the Secretary of State, advised that bonds are not allowed to have variable rates. The proposed statement of purpose would list the anticipated interest rate. Mr. Hurst stated that if the interest rate changes due to changes in the market, and this is different from the statement of purpose, **H 452** requires another election.

**Russ Hendricks**, Idaho Farm Bureau Federation (IFBF) testified in support of **H 452**. He stated that the IFBF likes the transparency of the bill. It is a common sense approach that will provide additional information to the voters prior to bond elections.

**Rep. Simpson** closed out testimony on **H 452** by stating this bill will provide transparency since the existing code is deficient.

**MOTION:** **Rep. Palmer** made a motion to send **H 452** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Simpson** will sponsor the bill on the floor.



**ADJOURN:**      There being no further business to come before the committee; the meeting was adjourned at 9:25 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Tuesday, February 21, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>RS21296</u></a>	Provide Recognition for Firefighters and EMS Medal of Valor Recipients during the Annual Idaho Fallen Firefighter Memorial Ceremony	Rep. Crane
<a href="#"><u>RS21277</u></a>	Create the Idaho Business Council to Identify Issues and Propose Solutions for Economic Growth in Idaho	Jared Bauer Idaho Business Council
<a href="#"><u>RS21055C1</u></a>	Proposal to Amend the U.S. Constitution to Provide that an Increase in the Federal Debt Requires Approval from a Majority of the Legislatures of the Separate States	Rep. Nielsen
<a href="#"><u>RS21302C1</u></a>	Provide for Voluntary Use of Gold and Silver Coin as Legal Tender in the State of Idaho	Rep. Hart

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Tuesday, February 21, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Stevenson, Simpson, Higgins, Buckner-Webb

**GUESTS:** None

**Chairman Loertscher** called the meeting to order at 9:01 a.m.

**Rep. Batt** made a motion to approve the minutes of February 14, 15, & 16, 2012 as written. **Motion carried by voice vote.**

**RS 21296:** **Rep. Crane** presented **RS 21296**, proposed legislation to give recognition to firefighting and EMS Medal of Valor recipients during the annual Idaho Fallen Firefighter Memorial Ceremony. Rep. Crane explained the receiving award process is completed by a conference call chaired by the Attorney General. The nominees for the Medal of Valor have provided life saving rescue efforts and service that went above and beyond the call of duty. Currently, the Governor and Lieutenant Governor present the awards during the National Law Enforcement Recognition Week, which is designed around law enforcement and does not give due recognition to firefighters and EMS personnel. **RS 21296** will provide that recognition. Rep. Crane stated there is no fiscal impact.

**MOTION:** **Rep. Batt** made a motion to introduce **RS 21296**. **Motion carried by voice vote.**

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**RS 21277:** **Jared Bauer**, Executive Director, Idaho Business Council, presented **RS 21277**, proposed legislation to create the Idaho Business Council. Mr. Bauer explained this proposed legislation will create a forum to discuss business issues, utilize colleges and universities to research those issues, and then turn the findings over to the Governor. Each legislator will serve as a voting member on the proposed council and select two business or community leaders from their respective districts. Mr. Bauer stated that the Idaho Business Council will not require any state funds and no travel is required. The council will operate via a web-system created by the Idaho Business Council.

In response to questions, **Jared Bauer** stated the money for the proposed Idaho Business Council will come from grants, donations, and no money will be required by the legislators. Mr. Bauer stated the purpose of **RS 21277** is to have a firm commitment from the Legislature to get a statewide approach and to be a tool for legislators to use in making those business decisions that confront them. The proposed council would consist of upwards of 300+ members, but members wouldn't need to be present for a meeting. They would log-in to a web-system during a 2-3 week period and complete surveys and vote on issues. Mr. Bauer noted the Idaho Department of Commerce would work with the proposed Idaho Business Council during the research stage and provide information as well. The research findings would be available to the public.

**MOTION:** **Rep. Batt** made a motion to return **RS 21277** to the sponsor. Rep. Batt stated that the size of the proposed council, some 300+ members, is not workable. **Motion carried by voice vote.**

**RS 21055C1:** **Rep. Nielsen** presented **RS 21055C1**, proposed legislation to amend the U.S. Constitution to provide that an increase in the federal debt requires approval from a majority of the Legislatures of the separate states. Rep. Nielsen stated that with the runaway national debt, we need to go back to the states, and get the people more involved to make government by the people and for the people.

In response to questions, **Rep. Nielsen** stated that 17 states have drafted this same legislation so there will not be any confusion at the national level about what is being asked. This proposed amendment will cause all lobbyists and specific interest groups to lobby each state separately.

**MOTION:** **Rep. McGeachin** made a motion to introduce **RS 21055C1**. **Motion carried by voice vote.** **Reps. King and Smith(30)** requested to be recorded as voting **NAY**.

**RS 21302C1:** **Rep. Hart** presented **RS 21302C1**, proposed legislation to provide for the voluntary use of gold and silver coin as legal tender in the State of Idaho. Rep. Hart stated that the Federal Reserve stopped reporting how much money they have produced, which is estimated at 29 trillion dollars. This proposed legislation will open the door to use gold and silver coins as legal tender. Federal statutes already provide for this. Rep. Hart noted that equal purchasing power between gold and silver coins and Federal Reserve notes will be maintained.

In response to questions, **Rep. Hart** stated that if two people, for example, have an agreement or have entered into a voluntary contract to use gold and silver coins, it will be legal tender. Some businesses or stores might want to conduct business using the coins, but they are not required to. This proposed legislation allows for the use of minted coins at their face value and allows parties to negotiate how they will value the coins. Rep. Hart noted that most would use the face value. Silver and gold have maintained their value, but the dollar is worth less. Rep. Hart explained that parties to a contract or agreement will negotiate payment and value any gold or silver coin based on the market. It is fluid and easy to determine. **Rep. Sims** invoked Rule 38 because she serves on a board for gold and silver.

**Vice-Chairman Crane** turned the gavel over to **Chairman Loertscher**.

**MOTION:** **Rep. Andrus** made a motion to introduce **RS 21302C1**. **Motion carried by voice vote.**

**Rep. Batt** made a motion to approve the February 13, 2012 minutes as written. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:40 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
**HOUSE STATE AFFAIRS COMMITTEE**  
9:00 A.M.  
Room EW40  
Wednesday, February 22, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>RS21310</u></a>	Resolution to Reject a Pending Rule Docket of the Department of Health and Welfare Relating to Rules of the Emergency Medical Services (EMS) Physician Commission	Rep. McGeachin
<a href="#"><u>RS21311</u></a>	Resolution to Reject a Subsection in a Pending Rule of the Department of Health and Welfare Relating to Residential Habilitation Agencies	Rep. McGeachin
<a href="#"><u>RS21335</u></a>	Resolution to Urge the Department of Health and Welfare to Promulgate a Rule Relating to Medicaid Program Coverage of Tobacco Cessation Services for Children and Pregnant Women	Rep. McGeachin
<a href="#"><u>H 536</u></a>	Proposal to Prevent Non-Resident Simulcast Companies with Advance Deposit Wagering Affiliates from Discriminating Against Idaho Simulcast Licensees	Rep. Henderson

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, February 22, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative Stevenson

**GUESTS:** Jesse Taylor, Westerberg & Associates; Russell Westerberg, Westerberg & Associates; Doug Okuniewicz, CDA Racing; Elizabeth Criner, Pfizer; Joie McGarvin, Westerberg & Associates; Heidi Low, American Cancer Society Cancer Action Network (ACSCAN); Kathie Garrett, Idaho Academy of Family Physicians.

**Chairman Loertscher** called the meeting to order at 9:01 a.m.

**RS 21310:** **Rep. McGeachin** presented **RS 21310**, a proposed resolution to reject a pending rule docket of the Department of Health and Welfare relating to rules of the EMS physician commission. There is a conscientious difference in Idaho between those who serve voluntary and paid EMS personnel. The new guidelines were believed to be too cumbersome for rural areas.

In response to questions, **Rep. McGeachin** stated that if these rules are rejected, EMS will operate using existing guidelines.

**MOTION:** **Rep. Luker** made a motion to introduce **RS 21310** and send it directly to the Second Reading Calendar.

**SUBSTITUTE  
MOTION:** **Rep. King** made a substitute motion to introduce **RS 21310**.

**VOTE ON  
SUBSTITUTE  
MOTION:** **Chairman Loertscher** called for a vote on the substitute motion to introduce **RS 21310**. **Motion failed by voice vote.**

**VOTE ON  
ORIGINAL  
MOTION:** **Chairman Loertscher** called for a vote on the motion to introduce **RS 21310** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. McGeachin** will sponsor the bill on the floor.

**RS 21311:** **Rep. McGeachin** presented **RS 21311**, a proposed resolution to reject a subsection in a pending rule of the Department of Health and Welfare relating to Residential Habilitation Agencies. **RS 21311** proposes to reject a set of rules that are applicable to the Medicaid process, specifically surveys that Residential Habilitation Agencies must complete and report back to Medicaid. **Rep. McGeachin** explained **RS 21311** will ensure that IDAPA 16.04.17, Department of Health and Welfare, Residential Habilitation Agencies, Section 404, Subsection 04 be rejected by both the Senate and the House.

**MOTION:** **Rep. Bilbao** made a motion to introduce **RS 21311** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.**

**RS 21335:**

**Rep. McGeachin** presented **RS 21335**, a proposed resolution to urge the Department of Health and Welfare to promulgate a rule relating to Medicaid program coverage of tobacco cessation services for children and pregnant women. The Patient Protection and Affordable Care Act (PPACA) mandates tobacco cessation therapy. The Health and Welfare committee rejected the rulemaking docket of the Department of Health and Welfare governing coverage of tobacco cessation products for pregnant women out of a concern for the safety and effectiveness of pharmacotherapy. Rep. McGeachin stated **RS 21335** recommends the Department of Health and Welfare promulgate a rule relating to tobacco cessation services for children and pregnant women that incorporates the recommendations for pregnant women contained in the 2008 Public Health Service Guideline.

In response to questions, **Rep. McGeachin** stated that although this practice is a requirement mandated by the PPACA, a letter from CMS to Medicaid in June of 2011, offers flexibility at the state level.

**MOTION:**

**Rep. Bilbao** made a motion to introduce **RS 21335**. **Motion carried by voice vote.**

**H 536:**

**Rep. Henderson** presented **H 536**, proposed legislation to prevent non-resident simulcast companies with advance deposit wagering affiliates from discriminating against Idaho simulcast licensees. Rep. Henderson stated **H 536** is a jobs protection bill that protects Idaho jobs as well as the employers. Rep. Henderson stated there are two ways to wager on horse racing in Idaho. The first is through advance wagering where a person deposits a sum of money with the company and then places bets either by phone or computer. The second option is to go to a facility where they have simulcast racing and participate in pari-mutuel betting. Rep. Henderson stated there are three facilities located throughout Idaho, one in Post Falls, Boise, and Idaho Falls. These facilities have full-time employees and serve a special interest of those who want to wager. Advance wagering companies do not have any employees in Idaho, they pay no license fees, and they do not contribute to the Idaho Horseman's Fund.

**Russell Westerberg**, Westerberg & Associates, testified in **support of H 536**.

Mr. Westerberg stated the purpose of **H 536** is to prevent Advanced Deposit Wagering (ADW) providers that are also affiliated with a track or tracks that export signals used for simulcast, pari-mutuel wagering at Idaho's three facilities, from attempting to recover the ADW source market fee through increased signal costs. Simulcast operations are conducted via a signal provided for a fee by the track where the race is being run. From the licensee's 18% of the betting pool, the signal fee is paid. Advanced Deposit Wagering which was authorized in 2003, allows a person to contact an ADW provider, establish an account, and place bets with that ADW provider on races over the internet from the comfort of their home. Organizations providing ADW in Idaho are required to be licensed by the Idaho Racing Commission. Mr. Westerberg testified that in recognition that ADW would probably cause more folks to stay at home and bet on horse races on the internet rather than patronize an Idaho simulcast operation, a source market fee of 10% is remitted by the ADW to the racing commission and distributed in accordance with current Idaho Code. Recently, simulcast signal providers in Kentucky and California that provide signals to Idaho locations and also offer ADW have been attempting to recoup their source market fee by increasing the fee charged for the signal sent to Idaho simulcast operations. Mr. Westerberg noted that the fees charged for the signal from Churchill Downs in Kentucky started out at 3%. They are now up to 8%. Comparable increases are being charged to Idaho operations by a California signal provider. These fees have increased disproportionately to fees charged in other states by the same signal provider. **H 536** will require signal providers that also operate ADW in Idaho to obtain an agreement with every Idaho licensed simulcast operator as a condition of receiving an ADW license from the Idaho

Racing Commission. **H 536** will prevent ADW from increasing signal rates for the purpose of forcing Idaho simulcast licensees out of business.

In response to questions, **Mr. Westerberg** stated that signal providers that also operate ADW will be required on an annual basis to apply for a license and provide proof that they have negotiated an agreement with Idaho's racing facilities. Mr. Westerberg stated that if a signal provider cannot negotiate an agreement, they can be denied a license. Some of these providers may not comply with **H 536**, but there are a variety of ADW providers and only some organizations provide both ADW and simulcast operations. Without this proposed legislation, if the signal providers and the ADW continue to raise the fees, then Idaho's three racing facilities can no longer pay their employees and cover their overhead expenses.

**MOTION:** **Rep. Higgins** made a motion to send **H 536** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Henderson** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:38 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary



AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Thursday, February 23, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>RS21349</u></a>	Proposal to Allow Individuals and Groups to Lower Health Insurance Costs by Making Available Competitive Health Plans from Out-of-State Insurance Companies	Rep. Ellsworth
<a href="#"><u>RS21251</u></a>	Proposal to Require the Driver of a Motor Vehicle Provide a Three-Foot Distance on the Left when Passing a Pedestrian, Bicyclist, or Other Human or Animal Powered Vehicle	Rep. Lacey
<a href="#"><u>H 515</u></a>	Proposal to Update Technological Standards of Information Distribution in Regard to State Agency End-of-Year Performance Reports and Strategic Plans	Rep. Nonini
<a href="#"><u>H 547</u></a>	Proposal to Require at Least One Public Election on a Proposed Bond Obligation Prior to Invoking the Judicial Confirmation Process	Rep. Hartgen

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Thursday, February 23, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Anderson, Henderson

**GUESTS:** Shelley Shannon, Idaho Health Facilities Authorities (IHFA); Mike Stoddard, IHFA; Seth Grigg, Idaho Association of Counties; Joie McGarvin, American's Health Insurance Plans; Will Hart, Idaho Consumer-Owned Utilities Association (ICUA); Tony Smith, Benton Ellis; Jan Sylvester, Citizen; Jesse Taylor, Westerberg & Associates; Brad Shafer, Rocky Mountain Power; Ryan Armbruster, Driggs Urban Renewal Agency; Ken Harward, Association of Idaho Cities; Wayne Hammon, Administrator, Idaho Division of Financial Management.

**Chairman Loertscher** called the meeting to order at 9:01 a.m.

**RS 21349:** **Rep. Ellsworth** presented **RS 21349**, proposed legislation to allow individuals and groups to lower their health insurance costs by making available competitive health plans from out-of-state insurance companies. Rep. Ellsworth noted that current Idaho Code allows the Director of Insurance to contract with outside insurers, but the director has not followed this. **RS 21349** will allow out-of-state insurers certified in another state to sell health or disability insurance to Idaho residents. Rep. Ellsworth explained that insurers will be required to be certified in another state, provide Idaho's mandatory coverages, remit Idaho's premium tax, and contribute to the catastrophic health care fund. The insurers must agree that disputes will be governed by Idaho laws or conduct alternative dispute resolution with an agent located in Idaho to act on their behalf.

In response to questions, **Rep. Ellsworth** explained that insurers will operate under another state's examination procedures, but the Director of Insurance will have access to that information. Rep. Ellsworth explained that currently the insurer has to be domiciled here. This has allowed two companies to control the market. **RS 21349** will increase competition and options and provide competitive pricing for Idaho residents by allowing out-of-state insurers.

**MOTION:** **Rep. McGeachin** made a motion to introduce **RS 21349**. **Motion carried by voice vote.**

**RS 21251:** **Rep. Lacey** presented **RS 21251**, proposed legislation to require motor vehicles to provide a three-foot distance on the left when passing bicyclists. **RS 21251** will also provide safety for non-motorized vehicles to include pedestrians, joggers, wheelchairs, and persons riding horses. **RS 21251** will require non-motorized vehicles to stay as far to the right as possible, travel or ride in a single file line, and when three or more vehicles are behind them, turn off of the roadway or step off to the side. Rep. Lacey stated that while 12% of traffic is bicyclists, they account for 14% of the deaths.

In response to questions, **Rep. Lacey** stated that three feet is just a number, no tape measure will be used. The main point is to provide a safe distance between vehicles and the bicyclist. Rep. Lacey clarified that bicyclists have to follow the

rules of the road and they need to move off of the road to allow fire trucks and EMS to pass. They are already required to ride single file. Rep. Lacey stated that **RS 21251** isn't just an educational bill, it will also provide for penalties and infractions. Rep. Lacey stated that bicyclist clubs and groups will provide information about this legislation to their members.

**MOTION:** Rep. Higgins made a motion to introduce **RS 21251**.

**ROLL CALL VOTE:** Rep. King requested a roll call vote on **RS 21251**. Motion passed by a vote of 9 AYE, 8 NAY, 2 Absent/Excused. Voting in favor of the motion: Reps. Black, Andrus, Simpson, Guthrie, McGeachin, Smith(30), King, Higgins, Buckner-Webb. Voting in opposition to the motion: Reps. Loertscher, Crane, Stevenson, Bilbao, Luker, Palmer, Sims, Batt. Reps. Anderson and Henderson were absent/excused.

**H 515:** Rep. Nonini presented **H 515**, proposed legislation to update technological standards for information distribution for state agency end-of-year performance reports and strategic plans. Rep. Nonini stated there are two reasons for **H 515**. The first is the number of reports that are generated, and the second reason is that recycling is a good thing to do. Rep. Nonini turned over the presentation to **Ty Palmer**, citizen. Mr. Palmer explained that agencies covered under Title 67 will be required to submit their strategic plans and reports in electronic format. Ten (10) copies will be printed for the constitutional officers and distributed as the agency sees fit. The public will be able to access the plans and reports on the agency's web-site. Mr. Palmer stated this will provide a savings to the taxpayer.

In response to questions, **Mr. Palmer** explained that **H 515** applies to the production of strategic plans and reports and will apply only to those already covered under Title 67. **H 515** will not add additional state agencies. Mr. Palmer stated he does not feel it is the State's position to cater to personal preferences regarding obtaining a hard copy versus printing one out from your computer. The taxpayer wants to reduce costs.

**MOTION:** Vice-Chairman Crane made a motion to send **H 515** to the floor with a **DO PASS** recommendation.

**Wayne Hammon**, Administrator, Idaho Division of Financial Management, clarified that they currently require all agencies to submit strategic plans and reports electronically. The reports are then reformatted and provided on the web. While this is current policy, it is not in code.

In response to additional questions, **Ty Palmer** explained that **H 515** allows for agencies to print ten (10) copies. If an agency makes more copies than that, Mr. Palmer stated it is his opinion they are violating the law. Mr. Palmer advised that the agency will print ten (10) copies and how each agency enforces this requirement will be up to them.

**SUBSTITUTE MOTION:** Rep. Luker made a motion to send **H 515** to General Orders with amendments as follows: Page 2, delete Lines 1-3, and on Page 3, Line 35, beginning with the words "Not more" delete Line 35-38. Rep. Stevenson seconded the motion. Motion carried by voice vote. Rep. Nonini will sponsor the bill on the floor.

**H 547:** Rep. Hartgen stated **H 547** has some technical issues that need to be addressed and requested additional time from the committee.

**MOTION:** Rep. Andrus made a motion to **HOLD H 547** to a time certain at the call of the Chair. Motion carried by voice vote.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:49 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Monday, February 27, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">RS21334</a>	PERSI / Disability Retirees	Rep. Bilbao
<a href="#">RS21353</a>	Resolution to Honor General Darrell V. Manning	Rep. Jaquet
<a href="#">H 535</a>	Consolidate Records Functions of the State Records Center (SRC) and the Idaho State Archives (ISA) under the Idaho State Historical Society (ISHS)	Janet Gallimore, Executive Director, ISHS
<a href="#">RS21370</a>	Consolidate Records Functions / ISHS	Janet Gallimore
<a href="#">RS21366</a>	Public Assistance Law	Rep. McGeachin

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, February 27, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson (Keough), Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Simpson, Buckner-Webb

**GUESTS:** Bill Burns, Administrator, Department of Administration; Duane Bogsne, Department of Administration; Rod House, Idaho State Historical Society(ISHS); Joie McGarvin, America's Health Insurance Plans (AHIP); Russell Westerberg, Westerberg & Associates; Tony Smith, Benton Ellis; Kate Haas, Idaho Press Club; Sue Higgins, Idaho Transportation Department (ITD); Jason Lowry, Idaho Association of Developmental Disabilities Agencies; Elizabeth Criner, Pfizer/Idaho State Dental Association (ISDA); Tammy Gusman, Advance Services; Melinda Turnbull, Advance Services.

**Chairman Loertscher** called the meeting to order at 9:01 a.m.

**RS 21334:** **Rep. Bilbao** presented **RS 21334**, proposed legislation to address former state employees who are on disability retirement. Rep. Bilbao explained the background behind **RS 21334**. A state employee became blind and started collecting disability retirement. The person was appointed to the Blind Commission and paid to attend meetings held once a month or less. The person is considered a state employee again and can no longer draw disability retirement. **RS 21334** would require that any disabled person who is drawing retirement to sign a statement giving up their compensation for serving on the Blind Commission. They would still draw their disability retirement. Rep. Bilbao explained that **RS 21334** contains an emergency clause to accommodate this former state employee.

**MOTION:** **Rep. Higgins** made a motion to introduce **RS 21334** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Bilbao** will sponsor the bill on the floor.

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**RS 21353:** **Rep. Black** presented **RS 21353**, a resolution to honor General Darrell V. Manning for his service to Idaho upon his retirement. Darrell V. Manning joined the Idaho National Guard in 1973, and twelve years later he was appointed Commanding General. He earned twenty-five military ribbons, medals and citations. General Manning was the youngest member to be elected to the Idaho House of Representatives. He served four terms in the House, two terms as the minority leader, and he also served one term in the Idaho Senate. General Manning served Idaho under eight governors and held posts in agencies such as the Division of Financial Management, the State Board of Education, and the Idaho Transportation Department where he served as the director.

**MOTION:** **Rep. Smith(30)** made a motion to introduce **RS 21353** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Jaquet** will sponsor the bill on the floor.

**H 535:** **Janet Gallimore**, Executive Director, Idaho State Historical Society (ISHS), presented **H 535**, proposed legislation to consolidate records functions of the State Records Center (SRC) and the Idaho State Archives (ISA) under the direction of ISHS. Ms. Gallimore stated that **H 535** has a potential inconsistency with the existing public records law, specifically as it relates to Idaho Public Records law, Section 9-337(15) where the Idaho State Historical Society has an exemption to the fee exception provisions. Ms. Gallimore explained that while she had been advised that this potential inconsistency could be addressed procedurally, it will be addressed in **RS 21370**.

**MOTION:** **Rep. King** made a motion to **HOLD H 535** in committee. **Motion carried by voice vote.**

**RS 21370:** **Janet Gallimore**, Executive Director, Idaho State Historical Society (ISHS), presented **RS 21370**. Ms. Gallimore explained that **RS 21370** has been modified to ensure clarity that records held by the State Records Center under retention by state agencies will not be subject to the exemption provided to the Idaho State Historical Society for permanent records.

**MOTION:** **Rep. Batt** made a motion to introduce **RS 21370**. **Motion carried by voice vote.**

**RS 21366:** **Vice-Chairman Crane** stated that **Rep. McGeachin** will present **RS 21366** tomorrow.

**Vice-Chairman Crane** recognized **Rep. Mike Keough** who is filling in during **Rep. Anderson's** absence.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:25 a.m.

---

Representative Crane  
Vice-Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
8:30 A.M.  
Room EW40  
Tuesday, February 28, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">RS21366</a>	Public Assistance Law	Rep. McGeachin
<a href="#">RS21324</a>	PERSI / Employee Defined	Rep. Stevenson
<a href="#">RS21325</a>	Water Rights	Rep. Stevenson
<a href="#">H 478</a>	Sale of Liquor by the Drink	Bill Roden
<a href="#">HJM 11</a>	Amendments Convention	Rep. Nielsen

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson(Keough)	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)



MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Tuesday, February 28, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson (Keough), Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Henderson, Buckner-Webb

**GUESTS:** Curtis Kemp, Ketchum City Council; Russell Westerberg, Hagadone Hospitality; Elizabeth Criner, Idaho State Dental Association (ISDA); Bill Roden, Knob Hill Inn; Brett Matteson, Knob Hill Inn; Sarah Fuhrman, Roden Law Office; Tony Smith, Benton Ellis; Kerry Ellen Elliott, Idaho Association of Counties; Ken Burgess, Idaho Licensed Beverage Association.

**Chairman Loertscher** called the meeting to order at 8:35 a.m.

**Rep. Batt** made a motion to approve the minutes of February 21, 2012 as written.  
**Motion carried by voice vote.**

**Rep. Higgins** made a motion to approve the minutes of February 17 and 20, 2012 as written. **Motion carried by voice vote.**

**RS 21366:** **Rep. McGeachin** presented **RS 21366**, proposed legislation to restore cuts to Medicaid made during the 2011 Legislation Session in **H 260**. Rep. McGeachin explained that **RS 21366** will restore \$1.5 million to the State's General Fund. The three programs targeted for restoration include preventive dental services, duplicative skill treatment for individuals with mental health and developmental disabilities, and removal of the individualized tiered budgets for adults.

**MOTION:** **Rep. Bilbao** made a motion to introduce **RS 21366**. **Motion carried by voice vote.**

**RS 21324:** **Rep. Stevenson** presented **RS 21324**, proposed legislation to replace **H 445**. Rep. Stevenson stated that **H 445** inadvertently included school bus drivers and librarians in the revised definition of "employee". Rep. Stevenson explained that **RS 21324** came about because cemetery districts requested exemptions for their employees, but PERSI stated they did not qualify. **RS 21324** will provide an exemption for cemetery districts and mosquito abatement districts. Currently, Idaho Code requires certification that the position is seasonal and affected by weather and the growing season. Cities such as Rexburg had seasonal employees working on projects outside of the growing season and they were not able to exempt them. **RS 21324** resolves this and removes this requirement.

**MOTION:** **Rep. Smith** made a motion to introduce **RS 21324**. **Motion carried by voice vote.**

**RS 21325:** **Rep. Stevenson** presented **RS 21325**, proposed legislation to clarify that a separate water right is not required for the collection, treatment storage or disposal storage, including land application, of the effluent from publicly owned treatment works. Rep. Stevenson stated this legislation was brought by the Association of Cities due to a situation that arose in McCall. They were combining wastewater from the city with a sewer district and realized each individual entity did not require a permit, but when combined, there was ambiguity. **RS 21325** makes it clear that when you combine these two sources, if a land application is to take place, this will not require a permit. There will be a filing fee for a notice of land application of effluent.

**MOTION:** **Rep. Higgins** made a motion to introduce **RS 21325. Motion carried by voice vote.**

**H 478:** **Bill Roden**, representing Knob Hill Inn of Ketchum, presented **H 478**, legislation to authorize the issuance of a state retail license to resort city inns situated in a resort city with a population not in excess of 10,000 for the retail sale of liquor-by-the-drink. Mr. Roden explained that ten (10) resort cities such as Sandpoint, Riggins, McCall, Lava Hot Springs, Ketchum and others have local-option taxes that allow an occupancy tax on lodging accommodations, and a tax upon liquor-by-the-drink, wine and beer sold at retail for consumption on the licensed premises. **H 478** will allow for the issuance of a license for liquor-by-the-drink for resort inns subject to the approval of the city council and the mayor. The resort must have a minimum of 15 guest rooms, a number lessened to accommodate the smaller cities. The license is not transferable and cannot be sold to other locations unlike other liquor licenses in Idaho. Mr. Roden noted that **H 478** will allow resorts to offer products to attract guests and encourage further investment in these kinds of facilities.

In response to questions, **Mr. Roden** explained that while current licenses are transferable and have been sold in excess of \$200,000 or more, **H 478** provides for a liquor-by-the-drink license that is not transferable. A person would have to buy the business in its entirety. Mr. Roden noted that these resort inns, with a minimum requirement of 15 guest rooms, provide an attraction for the area and jobs for the local economy. It gives people a reason to visit the area and **H 478** may attract more investments in the community. While it is not the intent of **H 478** to have resorts sell their more expensive license to obtain a non-transferable license; Mr. Roden acknowledged it is possible. Mr. Roden stated that **H 478** will not take funds away from the General Fund. The State will receive funds from annual license renewals.

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**Rep. Jaquet** spoke in support of **H 478**. She acknowledged that the market rate for liquor licenses has been in excess of \$300,000. Rep Jaquet noted that under **H 478**, the mayor and the city council would have to agree to grant the license and the city has to charge the occupancy and liquor-by-the-drink tax.

**Curtis Kemp**, Ketchum City Council, testified in support of **H 478** at the request of **Mayor Hall**. Mr. Kemp stated that **H 478** would allow a small hotel to be successful in a competitive environment. **H 478** is economic development.

In response to questions, **Mr. Kemp** advised that it is possible that it might be effective to place an upper limit on the number of guest rooms a resort city inn can have, but he would be grateful to have a "Holiday Inn" or another large hotel. Ketchum has projects in the pipeline, but they haven't broken ground as of yet. They are looking for the smallest improvement.

**Brett Matteson**, Columbia Hospitality for the Knob Hill Inn, testified in support of **H 478**. Mr. Matteson noted the partners of Knob Hill Inn bought the failing property at an auction. Mr. Matteson stated that to be a world-class destination, a resort needs all the products and services that other properties have to offer. **H 478** would generate more profit for the owners, but it would also bring more jobs and improvements for the community. It might fuel other developments.

In response to questions, **Mr. Matteson** stated that **H 478** would provide an economic benefit. They would be able to compete with other destinations and spend more money on marketing.

**Ken Burgess**, Idaho Licensed Beverage Association, testified in support of **H**

**478.** He stated bar owners looked at **H 478** and the approval required by the mayor and the city council as well as the fact that the license is not transferable.

In response to questions, **Mr. Burgess** advised that the organization and the people he represents are interested in the licenses they hold and their ability to sell them. **H 478** provides a license to a resort city inn that is not transferable. It is not a competitive disadvantage because if they go out of business, the license would just go away.

In response to additional questions, **Mr. Kemp** stated that if a business sold their expensive license in order to apply for one under **H 478**, he would look at it favorably. It would require an additional business to be in town that could purchase the expensive license.

**Bill Roden** closed out testimony on **H 478**. Mr. Roden stated **H 478** doesn't mean there are facilities in these resort cities that qualify, only that **H 478** might be an inducement. Mr. Roden noted that the economic downturn has a bigger effect on resort communities.

**Vice-Chairman Crane** turned the gavel over to **Chairman Loertscher**.

**MOTION:** **Rep. McGeachin** made a motion to **HOLD H 478** in committee. Rep. McGeachin stated in general we need to revise our liquor laws. Businesses in Idaho Falls are not privy to these exemptions and they have to obtain an expensive liquor license.

**SUBSTITUTE MOTION:** **Rep. Smith(30)** made a substitute motion to send **H 478** to the floor with a **DO PASS** recommendation. Rep Smith stated that **H 478** provides for economic development.

**Rep. Guthrie** spoke in favor of the substitute motion. He stated the license is not transferable and it is less valuable than one on the open market. We need to trust cities to make these decisions and keep economic opportunities going.

**Rep. Andrus** supports the motion to **HOLD H 478** in committee. He agrees the license is an economic tool, but it is mandated in the Constitution to promote sobriety.

**ROLL CALL VOTE:** **Rep. King** requested a roll call vote on **H 478**. **Motion carried by a vote of 9 AYE, 8 NAY, 2 Absent/Excused.** Voting in favor of the motion: **Reps. Anderson(Keough), Stevenson, Black, Bilbao, Guthrie, Sims, Smith(30), King, Higgins.** Voting in opposition to the motion: **Reps. Loertscher, Crane, Andrus, Luker, Palmer, Simpson, McGeachin, Batt.** **Reps. Henderson, Buckner-Webb were absent/excused.** **Reps. Jaquet and Henderson will co-sponsor the bill on the floor.**

**HJM 11:** **Rep. Nielsen** presented **HJM 11**, a joint memorial for the ratification of an amendment to the U.S. Constitution that the Federal Government cannot raise the national debt without approval from a majority of the Legislatures of the separate states. Rep. Nielsen explained that Section 1 of **HJM 11** requests an amendments convention, and Section 2 limits the subject matter to an increase in the federal debt. Section 3 will allow for an Article V process if two-thirds of the states are in agreement and it will be a continuing application. Rep. Nielsen stated that the debt crisis is a national crisis. Rep. Nielsen noted that if **HJM 11** passes and becomes an amendment to the U.S. Constitution, the states will have a voice on what is going on in Washington.

**Curtis Olafson, State Senator** from North Dakota, currently serving as Vice-Chairman of Judiciary Rules and Procedure, testified **in support of HJM 11**. Senator Olafson stated **HJM 11** invokes our rights under Article V of the U.S. Constitution to provide an amendment for the national debt. An Article V convention

will require two-thirds of the states or 34, and each state will send delegates to deliberate. Senator Olafson stated that this amendment will only address raising the national debt since Congress won't take action to reduce it. Currently, the United States is 15.4 trillion dollars in debt; \$49,000 per man, woman and child or \$136,000 for each taxpayer. Senator Olafson further noted this proposed memorial, **HJM 11**, is a national effort and a non-partisan issue. It has already passed in North Dakota, Arizona, and Louisiana with bipartisan support, and 22 additional states are coming on board.

In response to questions, **Senator Olafson** (North Dakota) explained that it will be entirely up to each State Legislature to decide how many delegates they want to represent them, but each state only has one vote. Senator Olafson noted that each State's proposed memorial focuses on using this model resolution verbatim as much as possible. The convention would have the power to adopt slight variations, but Senator Olafson noted that they do not want Congress to circumvent the issue of the national debt.

**MOTION:** **Rep. Simpson** made a motion to send **HJM 11** to the floor with a **DO PASS** recommendation.

**ROLL CALL VOTE:** **Rep. King** requested a roll call vote on **HJM 11**. **Motion carried by a vote of 13 AYE, 2 NAY, 4 Absent/Excused. Voting in favor of the motion: Reps. Loertscher, Crane, Anderson(Keough), Stevenson, Black, Andrus, Bilbao, Luker, Simpson, Guthrie, McGeachin, Sims, Batt. Voting in opposition to the motion: Reps. Smith(30), King. Reps. Palmer, Henderson, Higgins, Buckner-Webb were absent/excused. Rep. Nielsen will sponsor the bill on the floor.**

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 10:16 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
8:30 A.M.  
Room EW40  
Wednesday, February 29, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">RS21274</a>	Authorizing Parking Facility	Rep. Bedke
<a href="#">RS21362</a>	Speed Limits / Local Authority	Rep. Smith(24)
<a href="#">H 568</a>	Veterans	Rep. Hagedorn
<a href="#">H 575</a>	Trademark Filing and Renewal	Jeff Harvey Office of the Secretary of State
<a href="#">H 553</a>	Civil Offices	Rep. Trail

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson(Keough)	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, February 29, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson (Keough), Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Black, Henderson, McGeachin

**GUESTS:** Jeff Harvey, UCC Supervisor, Office of the Secretary of State; Tamara Mackenthun, Idaho Division of Veterans Services; Justin Ruen, Association of Idaho Cities; Russell Westerberg, Westerberg & Associates; Brian Kane, Office of the Attorney General.

**Vice-Chairman Crane** called the meeting to order at 8:35 a.m.

**RS 21274:** **Rep. Bedke** presented **RS 21274**, a proposed concurrent resolution to address parking issues in the Capitol Mall. Rep. Bedke noted there are 2300 state employees, 1600 parking passes, but only 1236 available parking spaces. There are currently 200 people on the waiting list for a reserved parking space and the Legislature is occupying several of the parking spaces. **RS 21274** would provide authority for the Department of Administration (DOA) to enter into agreements with the Idaho State Building Authority to finance an additional parking facility in the Capitol Mall. The Capitol Mall Master Plan has identified property in the area available for this facility. Rep. Bedke explained that several of the State's facility bonds are being refinanced. Applying these savings as well as the cost of parking permits would service the debt and provide for upkeep. Rep. Bedke noted **RS 21274** is a long-term fix and will provide 750 additional parking spaces.

In response to questions, **Rep. Bedke** clarified there is seven (7) of the state's existing facility bonds being refinanced by the State Building Authority.

**MOTION:** **Rep. Luker** made a motion to introduce **RS 21274. Motion carried by voice vote.**

**RS 21362:** **Rep. Palmer** presented **RS 21362**, proposed legislation to return authority to the Idaho Transportation Department (ITD) to set speed limits on state highways that go through cities. Rep. Palmer stated that often speed limits are determined by emotional factors or simply to accommodate the demands of the public. They should be based on sound traffic engineering safety standards available to ITD. These standards utilize the 85th percentile speed, the maximum speed considered to be safe and reasonable, as a basis for determining the appropriate speed limit.

**MOTION:** **Rep. Simpson** made a motion to introduce **RS 21362. Motion carried by voice vote.**

**H 568:** **Rep. Hagedorn** presented **H 568**, legislation to update hiring preferences for veterans. **H 568** will update the State's hiring preferences for veterans in compliance with existing federal law. Rep. Hagedorn stated **H 568** will redefine "veteran" to mean any person who has served on active duty in the armed forces and remove the requirement to have served during a war campaign. Rep. Hagedorn also noted **H 568** will provide five (5) hiring points for spouses of a service-connected disabled veteran.

In response to questions, **Rep. Hagedorn** advised the committee that he would propose sending **H 568** to General Orders for specific amendments. He explained it has come to his attention that municipalities may not test their applicants, and therefore, they cannot add hiring points.

**Tamara Mackenthun**, Division of Veterans Services, testified in support of **H 568**. Ms. Mackenthun stated the unemployment rate for veterans runs 3-4% higher than the rest of the population. **H 568** will take out the requirement for veterans to have served in a war zone. This will allow for a level playing field for all peace-time veterans.

In response to questions, **Tamara Mackenthun** stated the unemployment rate for veterans has been higher over the last five to six years due to veterans returning from Iraq and Afghanistan. Ms. Mackenthun stated that the higher unemployment rate for veterans may be due in part to the difficulty veterans face in transferring their military experience into a civilian resume. **H 568** would give veterans the opportunity to be interviewed and the chance to explain their military work experience.

**MOTION:** **Rep. Luker** made a motion to **HOLD H 568** in committee. Rep. Luker stated that a new bill is needed rather than sending **H 568** to General Orders. **Motion carried by voice vote. Rep. Smith(30)** requested that she be recorded as voting **NAY**.

**H 575:** **Jeff Harvey**, UCC Supervisor, Office of the Secretary of State, presented **H 575**, legislation to cause all trademark filings to use only the international classification of goods and services. Mr. Harvey explained in the past the Secretary of State's Office has accepted applications and payment for filing trademarks at face value. It was a lengthy process to reject the application and provide a paper trail through the Controller's office to refund the fee. **H 575** will allow the Secretary of State's Office to first examine a trademark application rather than accepting the document at face value. **H 575** also focuses on the registration of trademarks in Idaho and the determination of classification of what type of goods or service is provided under the mark. The United States Patent and Trademark Office (USPTO) developed the U.S. Classification of Goods and Services, but abandoned this classification in favor of the International Classification of Goods and Services. Idaho continued to use the U.S. Classification until 1996 at which time Idaho required the use of the international classification. Trademarks filed before 1996 were directed to use the classification system "in effect when the trademark was approved" upon renewal, a concession that was used to ease the transition. Mr. Harvey stated that it is time to complete the transition to require all trademark renewals to use the international classification. Mr. Harvey pointed out that 439 applications will be affected by **H 575**, but they will transition to the international classification when they come up for renewal.

**MOTION:** **Rep. King** made a motion to send **H 575** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Guthrie** will sponsor the bill on the floor.

**H 553:**

**Rep. Trail** presented **H 553**, legislation to provide for vacancies in elective civil offices upon the occurrence of specific conditions. **Rep. Trail** noted that **H 553** allows a competent tribunal to declare an elective office vacant due to apparent abandonment, prolonged incapacity, or absence in excess of ninety (90) days. **H 553** will apply to elective civil offices such as city councils, county commissioners, and school boards. The Office of the Attorney General issued an opinion dated January 31, 2012, opining that the decision of a competent tribunal to declare an elective office vacant will be valid and enforceable. The member's absence and lack of communication should be noted in the minutes.

In response to questions, **Rep. Trail** stated that his previous legislation on this matter only required a 30-day absence. It was felt that 30 days did not allow for due process. **Rep. Trail** noted that because absences can affect the ability to have a quorum, **H 553** will allow the appropriate tribunal to make the decision based on the circumstances for each council or board.

**Brian Kane**, Assistant Chief Deputy, Office of the Attorney General, advised that the Legislature allows for substitutions, so there is no absence. This does not apply to city councils, county commissioners, and other boards. **H 553** will provide for this.

**Justin Ruen**, Idaho Association of Cities, testified in support of **H 553**. Mr. Ruen stated the absence of council members can have a detrimental effect and become a significant issue. The Legislature has substitutes, but the cities do not have the ability to appoint one.

**MOTION:**

**Rep. Higgins** made a motion to send **H 553** to the floor with a **DO PASS** recommendation. **Rep. Higgins** stated that **H 553** will help smaller cities and councils to conduct business. **Motion carried by voice vote.** **Rep. Trail** will sponsor the bill on the floor.

**Rep. Higgins** made a motion to approve the minutes of February 22 and 23, 2012 as written. **Motion carried by voice vote.**

**ADJOURN:**

There being no further business to come before the committee; the meeting was adjourned at 9:18 a.m.

---

Representative Crane  
Vice-Chair

---

Lissa Cochrane  
Secretary



AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
8:00 A.M.  
Room EW40  
Thursday, March 01, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">H 454</a>	Absentee Ballots	Rep. Sims
<a href="#">H 571</a>	Absentee Voting	Tim Hurst, Chief Deputy Office of the Secretary of State
<a href="#">H 572</a>	Election Consolidation Law	Tim Hurst
<a href="#">H 518</a>	Cigarette Rolling Machine Operators	Brett DeLange Office of the Attorney General

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson(Keough)	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Thursday, March 01, 2012

**TIME:** 8:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson (Keough), Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Henderson, Higgins

**GUESTS:** Chris Rich, Ada County; Tim Hurst, Office of the Secretary of State; Teresa Baker, Ada County; Kristina Glascock, Twin Falls County; Betty Dressen, Payette County; Betty J. Thomas, Washington County; Ray Amaya, KBOI Radio; Phil McGrane, Ada County; Jason Kreizenbeck, Lobby Idaho; Kevin Altman, NTC National Tobacco; Jesse Taylor, Westerberg & Associates; Brett DeLange, Office of the Attorney General; Steve Rector, Pinnacle Business Group; Ashbey Taylor, Roll Your Own (RYO) machine manufacturers.

**Chairman Loertscher** called the meeting to order at 8:01 a.m.

**H 454:** **Rep. Sims** presented **H 454**, legislation to revise qualifications for electors, require a written warning on the absent elector's ballot form, and further define "permanent resident" status for qualified electors. Rep. Sims clarified that **H 454** will nullify the residency of any citizen who declares "permanent resident" status in another country regardless of their intention to return to Idaho. This excludes the military members covered under the Servicemembers Civil Relief Act. **H 454** will require a written warning on each absent elector's ballot form about falsifying information and the penalties for perjury. Ballot envelopes shall not be opened until the ballots are counted and **H 454** will void any ballot if there is more than one (1) ballot in an envelope. **H 454** complies with the Servicemembers Civil Relief Act, 50 U.S.C. App., Section 595, and will provide absentee ballots for federal, state, county and municipal elections to qualified electors and their spouses who are serving in the military outside of the State. Further, **H 454** requires a written audit procedure approved by the Secretary of State and signed by the person responsible for conducting the election. Rep. Sims stated that **H 454** is not a rewrite of current law, but simple corrections to protect the integrity of the election as well as the candidates.

In response to questions, **Rep. Sims** stated that if an elector is out of the country and wants to vote in a federal election; they receive a federal ballot not a state one. They are not qualified to vote on state issues if they are not a resident of Idaho. The Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) provides for absentee ballots to be sent out of the country for U.S. citizens residing overseas. Rep. Sims noted that declaring permanent residency status in another country does not preclude someone from returning to Idaho and declaring residency in Idaho again. The thirty (30) day residency requirement was already in Idaho Code.

**H 571:**

**Tim Hurst**, Chief Deputy, Office of the Secretary of State, presented **H 571**, legislation to clarify procedures for handling absentee ballot envelopes, provide for in-person absentee voting, and allow "early voting". Mr. Hurst explained that **H 571** cleans up a mistake in legislation passed last year and deletes reference to perforated ballots. **H 571** allows for the opening of optical scan ballots and removal from their envelopes to flatten the ballots before running through the tabulators. Mr. Hurst noted that **H 571** differs from **H 454** in that it allows ballots to be opened as early as 8:00 a.m. on the Monday before the election. **H 571** requires security procedures for absentee ballots which include a detailed security plan submitted to the Secretary of State's Office thirty (30) days before the election, ballots locked and located in a secure location with the premises patrolled by security personnel, only one person with access to the keys, and two (2) people present whenever the ballots are handled. Mr. Hurst noted that **H 571** allows for "early voting" if the county has access to the statewide voter registration system. A detailed plan for security of the ballots must also be submitted to the Secretary of State's Office thirty (30) days before early voting begins. Mr. Hurst reiterated that ballots are not counted until election day, and there will be no early results.

In response to questions, **Tim Hurst** stated that **H 571** allows ballots to be transferred from the ballot box to a transfer case with a numbered seal as an option for counties that count ballots at a central location. If the seal is broken, there is no other option than to go to court to challenge the election results. Mr. Hurst acknowledged that every county has absentee ballots, but it amounts to in-person absentee voting. Early voting will only be allowed two weeks prior to the election and smaller counties may not be able to offer it. Mr. Hurst stated there could be additional costs for early voting, but opening the ballots early to lay them flat and not having to pay overtime on election day could provide a cost savings. There are four different methods for voting, but the basic procedures are the same. **H 571** requires a detailed plan for security of the ballots based on minimal standards that every county can comply with. Mr. Hurst noted that counties requested the option to open ballots and lay them flat due to optical scanning. Early voting has been requested from poll counters, representatives, and voters because they do not have to apply for an absentee ballot.

**H 454:**

**Tim Hurst**, Chief Deputy, Office of the Secretary of State, testified **in opposition to H 454**. Points of opposition included: defining "permanent resident" provides an exemption for the military, but does not include residents working for the federal government in other locations, the penalty for perjury is \$50,000 not \$2,000, ballot envelopes containing more than one (1) ballot are not counted per current Idaho Code, and when **H 454** defines residency requirements, it does not include all possible elections.

**Teresa Baker**, Deputy Prosecutor, Ada County, testified **in opposition to H 454**. Ms. Baker stated that defining "permanent resident" is not an easily or commonly defined term and the qualification of voters is provided for in the Idaho Constitution, Article VI, Section 2. The Constitution allows for the Legislature to determine a time frame for residency, but the Constitution does not allow the Legislature to make other qualifications. Section 1 of **H 454** adds additional qualifications and is potentially unconstitutional. It is already illegal to falsely provide information for elections. The requirement to print this information on the ballot form would increase printing costs and add to an already crowded ballot. **H 454** allows the opening of absentee ballots only after the closing of the polls. This provision alone will result in election results being delayed by days, not hours. Ms. Baker stated that current statutes require that once a county begins processing election results, it is a continuous process until all the ballots are counted. Employees cannot work for 24 hours a day until all the ballots are counted. This will also result in unknown costs for overtime. **H 454** calls for a "federal ballot" which disenfranchises absentee

voters from voting in state and local elections. This adds an additional qualification not provided for in the Idaho Constitution. Ms. Baker noted that creating a new "federal ballot" means increased printing and personnel costs, programming machines, and the possibility for more errors.

**Christina Glascock**, Twin Falls County Clerk, testified in opposition to **H 454**. Points of opposition include: prohibiting opening the ballots early and creation of a new federal ballot. Ms. Glascock stated there have been issues in the past when ballots were opened, but not flattened to run through the tabulators. This delay causes a fiscal impact to the county. County personnel will count ballots during the day, but if we wait until the polls close, employees are paid time and a half. Ms. Glascock also noted there will be additional printing costs to prepare the "federal ballot". Ms. Glascock **supports H 571**.

In response to questions, **Ms. Glascock** stated that she tries to have some results for the 10:00 news as well as the candidates, but tabulating election results is stressful on the personnel. Ms. Glascock has promoted absentee ballots in the past without a lot of results. She does not mail out anything directly to the voters.

**Phil McGrane**, Ada County Deputy Clerk, testified in opposition to **H 454**. Mr. McGrane stated there is a constitutionality issue with defining "permanent resident" status. The opening of absentee ballots is a 24-hour day, and **H 454** would extend the work for possibly days. It questions the integrity of the election staff, and it is stressful for the media, the candidates, as well as the voting public.

**Rep. Sims** closed out testimony on **H 454**, proposed legislation for simple corrections. **H 454** is workable for the entire state. Rep. Sims stated that if we know that people are out of the country and not a resident of Idaho; they should not vote in Idaho.

**MOTION:** **Vice-Chairman Crane** made a motion to **HOLD** both **H 454** and **H 571** in committee subject to the call of the Chair. **Motion carried by voice vote.**

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**H 572:** **Tim Hurst**, Chief Deputy, Secretary of State, presented **H 572**, legislation to clean up procedures found during the first year of election consolidation. **H 572** removes references to city clerks. For primary elections, it allows an "unaffiliated" elector to affiliate with the party of their choice by signing a party affiliation form up to and including election day. Mr. Hurst stated **H 572** will require all political party candidates to declare their party affiliation in their declaration of candidacy and be affiliated with a party at the time of filing. Mr. Hurst explained that in the past candidates wanted to be unaffiliated, but still file for a specific party.

In response to questions, **Mr. Hurst** verified that an elector would use a party affiliation form if they want to change parties on an election day.

**MOTION:** **Rep. Simpson** made a motion to send **H 572** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Buckner-Webb** will sponsor the bill on the floor.

**H 518:**

**Brett DeLange**, Office of the Attorney General, presented **H 518**, legislation to require operators of cigarette rolling machines to comply with applicable Idaho laws governing the manufacturing, marketing, sale and taxation of cigarettes; the use of the cigarette rolling machines will not circumvent the Tobacco Master Settlement Agreement (MSA). Mr. DeLange explained that **H 518** provides a level playing field, the same operating rules for everyone whether big tobacco or a small convenience store, and **H 518** will allow the Attorney General to defend payments that Idaho receives from the MSA, \$25 million. **H 518** applies to sophisticated commercial cigarette rolling machines costing \$35,000 to \$40,000 and used in a commercial context. The rolling machines have the capability to roll up to 150 cigarettes in less than thirty (30) minutes. **H 518** will require operators of the cigarette rolling machines certify annually with the Attorney General and provide information regarding the operator, the location of the machine, the make and brand of the machine, and from whom the operator purchased the tobacco from. Mr. DeLange stated that **H 518** requires the operator of the rolling machine to use tobacco maintained on the Attorney General's directory pursuant to the Tobacco Master Settlement Agreement Complementary Act, payment of applicable state tobacco taxes, a current permit, compliance in preventing minors from purchasing or having access to tobacco or entering the premises, use of fire safe cigarette tubes, and cigarettes sold in a quantity not less than twenty (20). Mr. DeLange explained that if Idaho wants to keep receiving funds from MSA, then we have to track cigarettes as well as the cigarette rolling machines. If we don't, we risk losing funds vital to our state.

In response to questions, **Brett DeLange** clarified the requirement to certify cigarette rolling machine operators is due in part to ensure all tobacco used in the machines is listed on the Attorney General's directory and to prevent operators from turning into manufacturers. Certification is a simple process to identify the operator and the brand and no fee or payment is required to be listed in the directory.

**Steve Rector**, Pinnacle Business Group, representing the Roll Your Own (RYO) machine operators, deferred his time to testify to Mr. Taylor.

**Ashbey Taylor**, Esquire, representing the Roll Your Own (RYO) machine manufacturers, testified **in opposition to H 518**. Mr. Taylor stated cigarette rolling machines are new to the market and they want a bill that addresses all machines. Mr. Taylor clarified they want regulations and reporting requirements for the machines as well as the retailers, they want to adhere to fire safety standards, and to prevent access for minors, and they want to address the concerns of the Attorney General. Mr. Taylor recommends an amendment to **H 518**. The key distinction is the Attorney General limiting the tobacco that he approves.

In response to questions, **Mr. Taylor** noted that less than 5% of the population rolls their own cigarettes. Mr. Taylor clarified that all other tobacco requires payments under MSA, but pipe tobacco does not. The amendment he proposes would still require an escrow payment for using pipe tobacco the same as other tobacco products. The key difference between **H 518** and Mr. Taylor's proposed amendment, is the flexibility for consumers. The machine's manufacturers want reporting requirements, just not the Attorney General's requirement to be listed on their tobacco directory. It may be a burden for RYO manufacturers to track every cigarette in Idaho, but they want to be transparent.

**Roy Eiguren**, Sullivan Reberger Eiguren, representing National Tobacco, deferred his time to testify to Mr. Altman.

**Kevin Altman**, representing NTC National Tobacco, testified in support of **H 518**. Mr. Altman advised that at the federal and state levels, "roll your own tobacco" is defined as "for use or purchase by consumers for making cigarettes". Use of pipe tobacco in the RYO machines skirts the MSA and evades taxation. Mr. Altman stated they should be using roll your own tobacco, but the taxes are higher and this harms their business model. Mr. Altman explained that we should look at the intent of use. If using a RYO machine then tobacco should be RYO. Mr. Altman noted that pipe tobacco is taxed at \$2.84 per pound, but RYO is substantially more.

In response to questions, **Mr. Altman** stated that RYO machines allow the consumer to purchase cigarettes for less than buying a regular carton. The roll your own bags of tobacco do not have warning labels on the hazards of smoking. Mr. Altman cannot support **H 518** if the operators of the machines are not using the proper legal tobacco in the machines. The tobacco should be listed on the Attorney General's directory.

**Brett DeLange** closed out testimony on **H 518**. Idaho consumers have over 260 tobacco brands to choose from and any manufacturer can request that the Attorney General certify their brand. Cigarettes in the RYO machines are cigarettes that need to be tracked. This is not a freedom issue. Mr. DeLange stated that the Attorney General has never rejected certifying a brand.

**MOTION:** **Rep. King** made a motion to send **H 518** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. King** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 10:46 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochran  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Monday, March 05, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">S 1298</a>	Codifier Corrections	Mike Nugent
<a href="#">H 576</a>	Levy Elections	Rep. Simpson
<a href="#">H 599</a>	Consolidate Records Functions / Idaho State Historical Society (ISHS)	Janet Gallimore Executive Director, ISHS

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson(Keough)	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, March 05, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None

**GUESTS:** Zaine Baird, Idaho Department of Corrections; Scott Swanson, Idaho Transportation Department; Mike Nugent, Legislative Services Office; Tony Smith, Benton Ellis; Colby Cameron, Sullivan Reberger Eiguren; David Matte, Idaho State Archives; Rod House, Idaho State Archives; Duane Bogstir, State Records, Bill Burns, Department of Administration; Amy Wernsing, Governor's Office.

**Vice-Chairman Crane** called the meeting to order at 9:01 a.m.

**Rep. Batt** made a motion to approve the minutes of February 27, 2012 as written.  
**Motion carried by voice vote.**

**S 1298:** **Mike Nugent**, Legislative Services Office, presented **S 1298**, legislation to make various codifier corrections to the Idaho Code. Mr. Nugent noted **S 1298** contains corrections to the exemption amounts for levies, removes all references to the interagency committee due to its repeal, removes archaic language that makes reference to the Idaho "state school and hospital", and **S 1298** addresses the change in the county deductible for the catastrophic health care cost account as well as technical corrections.

**MOTION:** **Rep. Luker** made a motion to send **S 1298** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Luker** will sponsor the bill on the floor.

**H 576:** **Rep. Simpson** presented **H 576**, legislation to provide public notice and ballot requirement for levy elections. Rep. Simpson stated that **H 576** will require all taxing districts to post the amount and the purpose of the levy election on the legal notice and the ballot.

**MOTION:** **Rep. Batt** made a motion to send **H 576** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Simpson** will sponsor the bill on the floor.

**H 599:** **Janet Gallimore**, Executive Director, Idaho State Historical Society, presented **H 599**, legislation to consolidate the records functions of the State Records Center (SRC) and the Idaho State Archives (ISA) under the direction of the Idaho State Historical Society (ISHS). Ms. Gallimore stated that **H 599** accomplishes the first phase of this initiative with an "as-is" merger by amending the existing ISHS enabling statute 67-4126. This amendment establishes provisions for Records Management Services under the ISHS and establishes a records management fund to accommodate current and future cost recovery efforts to pay for services rendered. **H 599** ensures clarity that "active" records held by the State Records Center under retention by state agencies will not be subject to the fee exception exemption provided to the ISHS for permanent records. **H 599** adds a new Section 67-4131 to address changes in recordkeeping. Language regarding a standard filing system was deleted as each agency's needs are distinct, and language was added regarding electronic protocols.



In response to questions, **Janet Gallimore** explained that the State keeps records in boxes because it is difficult to find the funds to change over all records to the latest version and keep it in perpetuity. The State would have to invest in systems that would update records or recordings into the latest media version, for example, digital recordings. Ms. Gallimore verified that JFAC is prepared to move funds over from the Department of Administration to ISHS if **H 599** passes.

In response to questions, **Rod House**, Idaho State Archives, explained the State maintains the machines and devices to view or listen to records in their original form.

**Zaine Baird**, Management Assistant, Idaho Department of Correction(IDOC), testified **in support of H 599**. Ms. Baird stated that IDOC stores temporary records at the State Records Center as well as permanent records at the Idaho State Archives. In her experience there have been times when state employees did not understand that the State Records Center does not store permanent records. The consolidation proposed under **H 599** would clear up that confusion. It would allow for better long-term planning and enhance the State's ability to keep up with technology pertaining to the storage of all types of data and documents, whether electronic, digital, or hard copies. It always benefits the citizens of Idaho when redundancies are eliminated.

**Scott Swanson**, Records Program Manager, Idaho Transportation Department, testified **in support of H 599**. Mr. Swanson stated the merger of SRC and ISA would benefit these agencies. It would allow for shared staff, resources, and require contacting only one (1) office for questions and directives. The State's most valuable asset is its employees. The second is records and the ability of the staff to support the public and provide services.

**MOTION:** **Rep. Black** made a motion to send **H 599** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Black** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:19 a.m.

---

Representative Crane  
Vice-Chair

---

Lissa Cochran  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
8:30 A.M.  
Room EW40  
Thursday, March 08, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>RS21432</u></a>	Increase Annual Salary for Public Utilities, State Tax, and Industrial Commissioners	Rep. Loertscher
<a href="#"><u>S 1371</u></a>	Primary Election Ballots	Tim Hurst, Chief Deputy Secretary of State
<a href="#"><u>H 632</u></a>	Youth Athletes / Head Injury Guidelines	Matt Kaiserman
<a href="#"><u>H 578</u></a>	Legal Tender	Rep. Hart

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Thursday, March 08, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative Higgins

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

**Vice-Chairman Crane** called the meeting to order at 8:31 a.m.

**RS 21432:** **Rep. Loertscher** presented **RS 21432**, proposed legislation to increase the annual salaries of each of the Commissioners on the Public Utilities Commission, State Tax Commission, and Industrial Commission. **Rep. Loertscher** stated the Legislature has to set the salaries annually for the Commissioners because they are set in code. **RS 21432** provides a 2% across the board increase for the Commissioners. Salaries for the Public Utilities Commissioners will increase from \$92,167 to \$94,010, salaries for the State Tax Commissioners will increase from \$85,447 to \$87,156, and salaries for the Industrial Commissioners will increase from \$89,711 to \$91,505.

In response to questions, **Rep. Loertscher** stated that salary increases for staff are taken care of through other means.

**MOTION:** **Rep. King** made a motion to introduce **RS 21432**.

**SUBSTITUTE  
MOTION:** **Rep. McGeachin** made a substitute motion to introduce **RS 21432** and send it directly to the Second Reading Calendar. **Motion carried by voice vote. Reps. Sims and King** asked to be recorded as voting **NAY. Rep. Black** will sponsor the bill on the floor.

**Vice-Chairman Crane** turned the gavel over to **Chairman Loertscher**.

**S 1371:** **Tim Hurst**, Chief Deputy, Office of the Secretary of State, presented **S 1371**, legislation to allow only one (1) ballot to be printed for primary elections containing non-partisan candidates and issues on the partisan ballot. **S 1371** simply removes the word "only". **Mr. Hurst** advised they are printing ballots for the primary election this weekend. **S 1371** will save counties 25% of their ballot printing costs.

In response to questions, **Mr. Hurst** stated that in the past voters received ballots for both parties. When the decision was made to close the primaries, adding the word "only" required that only the Republicans or the Democrats were on a ballot. **S 1371** removes this restriction and places non-partisan candidates on the ballot with Republicans or Democrats. **Mr. Hurst** also verified there is a place on the ballot for write-ins. A person can designate as a write-in candidate twenty-eight (28) days before the primary election, and still have their name added to the ballot.

**MOTION:** **Rep. King** made a motion to send **S 1371** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. King** will sponsor the bill on the floor.

**H 632:**

**Matthew Kaiserman**, representing Gallatin Public Affairs, presented **H 632**, legislation to provide protocols for youth athletes sustaining concussions. Mr. Kaiserman stated there are two (2) reasons for **H 632**. It will provide guidelines for schools to follow for the safety of their athletes and will extend to middle schools, junior high schools, in addition to the high school level. Mr. Kaiserman noted that thousands of athletes suffer the negative effects of concussions. While there is a risk associated with playing sports, it is not an inherent risk for an athlete to suffer from Second Impact Syndrome. Athletes who are returned to the game before a concussion has healed suffer swelling of the brain and cognitive disabilities. A fighter pilot may pull 8-9 G forces, but a youth athlete sustaining a blow to the head will have been hit with the force of 10-100 G forces. Mr. Kaiserman explained that **H 632** requires (1) the State Board of Education and the Idaho High School Activities Association (IHSAA) provide a link to the Centers for Disease Control's (CDC) guidelines that identify the signs and symptoms of a concussion, (2) **H 632** applies to middle, junior high, and high school athletes eighteen (18) years of age or younger, (3) youth athletes and parents will receive CDC guidelines prior to play, and coaches, referees, game officials, and trainers will review the guidelines upon employment and biannually thereafter, (4) players are removed from play if exhibiting outward signs or symptoms of a concussion, (5) evaluation by a qualified health care professional to include a physician or physician's assistant, an advanced practical nurse or a licensed health care professional trained in the evaluation and management of concussions before an athlete is returned to play, (6) limited liability for coaches if actions are deemed reasonable, (7) and any youth sport organization or association in Idaho may opt-in and comply with **H 632**.

In response to questions, **Mr. Kaiserman** explained that the ability of opposing coaches to remove a player from the game was removed from **H 632**. Referees are there to oversee the game and they will have the authority to remove a player from the game. Coaches do not have to take on this responsibility. The medical profession is not part of their job. A lot of schools have medical personnel to defer to or smaller schools may have EMTs available. Mr. Kaiserman stated that many schools do not have the means to create technical guidelines on concussions, but the CDC compiles medical information on concussions and addresses the evaluation and removal of an athlete from play. When schools have protocols in place for the safety of their athletes, risk assessments have resulted in lower insurance rates.

**John Billets**, Executive Director, IHSAA, noted there are 45,000 high school athletes in Idaho. Mr. Billets explained that game officials, defined as those who work directly with the game for rule violations, go through a registration process when they are hired. As a result of legislation passed in 2010, they require officials to take a course on the management of concussions, and provide rules and regulations containing a section on recognizing the symptoms of concussions. When in doubt, set the athlete out. Mr. Billets noted that **H 632** will increase education for coaches, officials, and trainers regarding concussions, but IHSAA will still provide that information. **H 632** provides guidance and defines who is a qualified healthcare professional to evaluate and recommend a player be returned to the game. IHSAA already defines them, but some people feel they can make that decision. **H 632** will clarify who is qualified.

Mr. Kaiserman clarified that **H 632** extends beyond the purview of the IHSAA and extends to middle and junior high schools as well.

**MOTION:**

**Rep. King** made a motion to send **H 632** to the floor with a **DO PASS** recommendation.

**SUBSTITUTE  
MOTION:**

**Vice-Chairman Crane** made a substitute motion to send **H 632** to General Orders. While referees are unbiased, coaches get caught up in the emotion of the game and make decisions they regret. Vice-Chairman Crane stated that he wants the provision for opposing coaches to remove a player from the game back in the bill.

**Rep. Simpson** supports the original motion. Legislation passed in 2010 was a great first step. Referees will take an active role in implementing **H 632**.

**Rep. Andrus** supports the substitute motion. Legislation is needed to protect young people from concussions. Rep. Andrus expressed concern that timekeepers might be classified as officials for purposes of liability and court actions. He supports sending **H 632** to General Order to review for legal reasons.

**Rep. Smith** supports the original motion. She stated that she supported the legislation in 2010, but we need to go farther. **H 632** addresses protocols for middle schools, junior high and high schools, but allows for local involvement as well.

**Rep. Anderson** supports the original motion because general orders could take away the power of the bill. The majority of coaches would be more concerned about their athletes. He does not want to exclude them because coaches are the number one person to remove a player from the game.

**Rep. McGeachin** supports the original motion. The seriousness of concussions is a public health issue. **H 632** gives localities the protocol for removing players from the game.

**Rep. Buckner-Webb** supports the original motion. We enable our children to play because we have confidence in the coach that he has the child's best interest at heart.

**Rep. Guthrie** supports the original motion. **H 632** goes farther than the legislation we have now. Rep. Guthrie stated that **H 632** provides for the development of protocols for removal of a player from the game. Referees are not at practice so the coach has to be there. This is a critical issue, and it is time for **H 632**.

**Rep. Batt** spoke against the original motion stating that we need to be clear about the protocols that we are developing. If the CDC includes 19-year olds in the guidelines then we should develop protocols that include them.

**Rep. Andrus** stated that he now supports the original motion if timekeepers will not be considered referees.

**ROLL CALL  
VOTE ON  
SUBSTITUTE  
MOTION:**

**Rep. King** requested a roll call vote on **H 632**. **Motion failed by a vote of 3 AYE, 15 NAY, 1 Absent/Excused. Voting in favor of the motion: Reps. Crane, Sims, Batt. Voting in opposition to the motion: Reps. Loertscher, Anderson, Stevenson, Black, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Smith(30), King, Buckner-Webb. Rep. Higgins was absent/excused.**

**ROLL CALL  
VOTE ON  
ORIGINAL  
MOTION:**

**Rep. Batt** requested a roll call vote on **H 632**. **Motion passed by a vote of 15 AYE, 3 NAY, 1 Absent/Excused. Voting in favor of the motion: Reps. Loertscher, Anderson, Stevenson, Black, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Smith(30), King, Buckner-Webb. Voting in opposition to the motion: Reps. Crane, Sims, Batt. Rep. Higgins was absent/excused. Rep. Anderson will sponsor the bill on the floor.**

**H 578:**

**Rep. Hart** presented **H 578**, legislation to provide for the voluntary use of gold and silver coin as legal tender in the State of Idaho. Rep. Hart stated the Federal Reserve has produced some \$29 trillion dollars. **H 578** is forward thinking in anticipation of what might happen in the future and here in Idaho. Rep. Hart noted **H 578** will allow for voluntary contracts based on gold and silver coin and provide an exemption from the capital gains tax.

**Larry Hilton**, Attorney, spoke **in support of H 578**. Mr. Hilton noted that large national debt relative to national income runs the risk of serious economic consequences. There have been 270 financial crises between 1971, when the United States went off of the gold standard, and 2011. The states have the right to use complimentary currency and making gold and silver legal tender will provide stability, economic viability, and incredible economic benefits. Mr. Hilton stated that we need constitutional alternatives and Idaho can make this legal under Article I of the U.S. Constitution.

**Rep. Hart** requested that **H 578** be sent to General Orders to ensure clarity that when there is a two (2) part transaction. For example, buying a car from a dealer and paying taxes on it; both the purchase and the tax needs to be paid in the same form of currency.

**Bliss Tew, A.J. Ellis, and Thomas Bullock**, representing self, testified **in support of H 578**. There is a self-regulatory aspect to using gold and silver. It is only mined when it is valuable. We have to look at the inflationary tendencies and excessive spending by the federal government as well as the creation of money out of thin air by the Federal Reserve. **H 578** will secure blessings of prosperity, and give the people of Idaho protection from the looming currency deflation and rising prices.

**Chairman Loertscher** stated **H 578** would be held over until Monday, March 12, 2012, for additional testimony.

**ADJOURN:**

There being no further business to come before the committee; the meeting was adjourned at 10:42 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
8:00 A.M.  
Room EW40  
Friday, March 09, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#"><u>H 578</u></a>	Legal Tender	Rep. Hart
<a href="#"><u>RS21413</u></a>	Beyond the Border Action Plan	Rep. Eskridge
<a href="#"><u>HCR 47</u></a>	Parking Facility, Authorizing	Rep. Bedke
<a href="#"><u>S 1285</u></a>	Lottery Dividend Transfers	Jeff Anderson, Director Idaho Lottery Commission
<a href="#"><u>S 1286</u></a>	Bingo/Raffles, Licensees	Jeff Anderson
<a href="#"><u>HJR 1</u></a>	Manner of Passing Bills	Sen. Vick

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Friday, March 09, 2012

**TIME:** 8:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative Higgins

**GUESTS:** Jeff Youtz, Capitol Commission; Tim Mason, Division of Public Works; Ric Johnston, Division of Public Works; Wayne Meulman, Executive Director, Idaho State Building Authority; Becky Schroeder, Idaho Lottery Commission; Jeff Anderson, Idaho Lottery Commission; Jared Tatro, Office of Performance Evaluations; Max Greenlee, Risch Pisca; Lori Shoemaker, Danique Ahren, Pam Stout, Carl Stout, John Blattler, Maureen Hatfield, and Curt Cattau, Citizens.

**Chairman Loertscher** called the meeting to order at 8:01 a.m.

**RS 21413:** **Rep. Eskridge** presented **RS 21413**, a proposed House Joint Memorial asking the President, Executive Branch Agencies, and Congress to work together to ensure that the Border Action Plan on Perimeter Security and Economic Competitiveness and the Action Plan on Regulatory Cooperation are effectively implemented in support of the border agreement. Rep. Eskridge explained the border agreement announced on December 7, 2011, streamlines cross-border trade and increases intelligence for security between the United States and Canada. In this time of economic downturn we need economic growth, and the obvious trade relation poised for economic growth is the United States and Canada. Rep. Eskridge noted that \$1.6 billion in goods and services crosses the border, \$1 million a minute, and 39,000 jobs in Idaho depend on this trading. Idaho sells more exports to Canada than any other country. The border agreement signifies the interdependence of our economies.

In response to questions, **Rep. Eskridge** stated that the Border Action Plan emphasizes strict attention to the perimeter of the countries rather than the borders. It will allow for information to be shared on people who come in and out of both countries.

**MOTION:** **Rep. Stevenson** made a motion to introduce **RS 21413** and send it directly to the Second Reading Calendar.

**SUBSTITUTE  
MOTION:** **Rep. Luker** made a substitute motion to introduce **RS 21413**. **Motion carried by voice vote.**



**H 578:**

The following testimony is a continuation from Thursday, March 8, 2012.

**John Blattler, Pam Stout, Carl Stout, Danique Ahren, Lori Shoemaker, and Maureen Hatfield**, representing self, testified **in support of H 578**, stating that Idaho needs an alternate currency as a safety net in preparation for the collapse of our current currency. The use of gold and silver as legal tender will attract businesses to our state, create jobs, and bring stability to Idaho. It will create a massive means of protection for citizens, and we will already be using gold and silver if and when the dollar fails.

**Rep. Nielsen** testified **in support of H 578**, noting there has to be a medium of exchange or we will have to go to a barter system. Creating more money creates inflation, but gold retains its value.

**Rep. Barrett** testified **in support of H 578**, stating the number one (1) problem is our failed economic policy at the federal level. The State has to do its part and we need to have a strong monetary policy.

**Larry Hilton**, Attorney, responded to additional questions by stating that the U.S. Constitution allows the states to choose what they want to use for legal tender and taxes. **H 578** will allow for payment in gold and silver unless the taxing authority does not accept it. The dollar would be used until such time as Idaho has the infrastructure in place to accept gold and silver. Once gold and silver are legal tender then the exchange would be free of capital gains tax.

**MOTION:**

**Rep. McGeachin** made a motion to send **H 578** to General Orders. **Rep. Palmer** seconded the motion.

**ROLL CALL  
VOTE:**

**Rep. King** requested a roll call vote on **H 578**. **Motion carried by a vote of 12 AYE, 6 NAY, 1 Absent/Excused.** Voting in favor of the motion: **Reps. Loertscher, Crane, Stevenson, Andrus, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt.** Voting in opposition to the motion: **Reps. Anderson, Black, Bilbao, Smith(30), King, Buckner-Webb.** **Rep. Higgins was absent/excused.** **Rep. Hart will sponsor the bill on the floor.**

**HCR 47:**

**Rep. Bedke** presented **HCR 47**, a Concurrent Resolution to authorize the Department of Administration (DOA) to enter into agreements with the Idaho State Building Authority to finance a second multi-level parking facility for the Capitol Mall. There are 2300 state employees, 1600 parking permits, but only 1226 parking spots further complicated by the legislative session. Rep. Bedke noted there are currently 200 on the waiting list for a reserved parking space, and the wait time is approximately 6-7 years. **HCR 47** will direct the DOA to evaluate the current parking system, i.e., the fees charged, the number of permits issued, who parks where, and better utilization of the available spaces as well as provide parking for the public that visits during the legislative session. Rep. Bedke explained that current financial conditions are favorable for refinancing building bonds issued in 2003. Adequate revenue will be available to pay for the upkeep, security, and ongoing costs of a facility that would provide at least 650 to 750 parking spaces.

In response to questions, **Rep. Bedke** noted that **HCR 47** authorizes the DOA to apply their expertise and research the real estate market to determine the best existing location for the parking facility.

**Wayne Meulman**, Executive Director, Idaho State Building Authority, responded to additional questions stating options for refinancing were evaluated three (3) weeks ago, and the estimated fixed annual interest rate would be 3.375%. The bonds will mature in 2024 for additional revenue.

**Jeff Youtz**, Director Legislative Services Office, testified in support of **HCR 47**. Mr. Youtz stated that **HCR 47** is the last piece of the Capitol restoration project. If **HCR 47** is approved then DOA could move employee parking into the garages. This would free up parking spaces in the surrounding lots for the public to increase their involvement in the political process.

**MOTION:** **Rep. Luker** made a motion to send **HCR 47** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Bedke** will sponsor the bill on the floor.

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**S 1285:** **Jeff Anderson**, Director, Idaho Lottery Commission, presented **S 1285**, legislation to amend Idaho Code § 67-7434 to allow for the option to transfer dividends on a more frequent basis. Mr. Anderson explained that the lottery was established by a vote of the people in the 1980s. Dividends are distributed once annually. **S 1285** would allow the Lottery Commission to determine if a more frequent transfer is necessary by estimating the coming fiscal year's net revenue; discount the estimate by an amount determined by the Commission; and then transfer dividends throughout the year. Mr. Anderson explained that FY2013 would experience a one-time "pay forward" of dividends of approximately \$16,000,000 for public schools and the permanent building fund. The State's General Fund would lose an undetermined amount of interest on lottery deposits. The amounts have been decreasing due to lower rates of interest on deposits held by the State. Mr. Anderson noted the Lottery Commission could modify the frequency of transfers to maximize the benefits to the State.

In response to questions, **Mr. Anderson** noted the genesis of **S 1285** is from the Lottery Commission. When the Legislature approved the lottery, it was modeled after New Hampshire's lottery to set up transfers on an annual basis. The majority of state sponsored lotteries transfer dividends to their stakeholders on a more frequent basis. The lottery is a predictable business with sales steadily increasing. **S 1285** would transfer money as it is earned quarterly, and provide \$16 million to public schools and the permanent building fund to be divided equally. Mr. Anderson verified for the committee that interest earned on the lottery's deposits goes into the General Fund as stated in Idaho Code.

**MOTION:** **Rep. Luker** made a motion to **HOLD S 1285** in committee. **Motion carried by voice vote.** **Reps. Black** and **Bilbao** requested to be recorded as voting **NAY**.

**Vice-Chairman Crane** turned the gavel over to **Chairman Loertscher**.

**S 1286:** **Jeff Anderson**, Director, Idaho Lottery Commission, presented **S 1286**, legislation to amend the charitable gaming code. Mr. Anderson advised that charitable bingo and raffles generated \$3 million for charities last year. The Idaho Lottery Commission seeks to increase the percentage allowed for administrative expenses from 15% to 18%. These expenses have to come out of the pool and not the charitable purpose amount. Mr. Anderson stated that charitable and non-profit organizations came to the Lottery Commission and requested this increase due to increased costs for bingo paper, the minimum wage, and the cost for bingo halls. Mr. Anderson noted that the current percentage has not changed since the 1990s when enforcement was assigned to the Lottery Commission.

In response to questions, **Mr. Anderson** explained that charitable bingo and raffle licensees came to the Lottery Commission and stated they want to keep the amount going to charities the same, but they want an increase for their administrative expenses. Mr. Anderson advised that each licensed charitable gamer throughout Idaho must submit an audited financial statement to the Lottery Commission. This verifies the organization operates at 15% or below for administrative expenses.

Organizations may request an exemption for exceeding the maximum allowed 15%; for example, a one-time expense for a certified financial accounting by a CPA. Mr. Anderson verified that the Lottery Commission has a set of standards for requesting exemptions. If an organization does not have a plan to return to operating under the 15% for administrative expenses, Mr. Anderson stated they do not get an exemption.

**MOTION:** **Rep. King** made a motion to send **S 1286** to the floor with a **DO PASS** recommendation.

**SUBSTITUTE MOTION:** **Rep. Luker** made a substitute motion to **HOLD S 1286** for a time certain until Wednesday, March 14, 2012, to review a copy of the Lottery Commission's Annual Report on charitable gamers. **Motion carried by voice vote.**

**HJR 1:** **Senator Vick** presented **HJR 1**, a Resolution to add one sentence to the Idaho Constitution that no bill that provides for a net increase in revenue, whether through fees or taxes, shall become law without the concurrence of two-thirds of the members of each House. Senator Vick stated that taxes impact the freedom of individuals. It takes away their money and moves the funds to the government. There are 16 states that require a super majority vote to raise taxes making it harder to do so and require more deliberation by the Legislature. Senator Vick noted that the amendment must be voted on by the people.

In response to questions, **Senator Vick** stated **HJR 1** applies when the Legislature is increasing taxes to increase revenue. It would not apply to a bill that increases the sales of a product here in Idaho. **HJR 1** also would not apply to federal taxes and funds. The Legislature appropriates funds received from the federal government, but does not write any legislation to raise them. Senator Vick clarified that **HJR 1** defines an increase in revenue "whether through fees or taxes" because history has shown there is small dissent to raising fees, but we might start calling a tax a fee to avoid the requirement of a two-thirds vote.

**Wayne Hoffman**, Director, Idaho Freedom Foundation, testified **in support of HJR 1**. If there is statutory authority to raise a fee, **HJR 1** would apply and require a two-thirds vote. Mr. Hoffman noted those types of bills pass easily. A two-thirds vote by the Legislature requires more mechanics and more deliberation.

In response to questions, **Mr. Hoffman** stated in his opinion extending the sales tax exemption would not require a two-thirds vote because it would increase revenue for the public.

**MOTION:** **Rep. Luker** made a substitute motion to **HOLD HJR 1** in committee at the discretion of the Chair for drafting of a proposed amendment. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:54 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:30 A.M.  
Room EW40  
Monday, March 12, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">RS21211</a>	Basque Country / ETA	Rep. Bilbao
<a href="#">H 613</a>	Travel / Convention Industry Council	Rep. Hartgen

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, March 12, 2012

**TIME:** 9:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Bilbao, McGeachin, Higgins

**GUESTS:** Jeff Sayer, Director, Idaho Department of Commerce; Megan Ronk, Idaho Department of Commerce; Pam Eaton, Idaho Lodging & Restaurant Association; Dr. Gloria Totoricaguena, President, Transnational Initiatives Consulting; Dr. Xabier Irujo Ametzaga, Asst. Professor, Center for Basque Studies; Roy Eiguren, Sullivan, Reberger, Eiguren; Miren Eiguren; Pete T. Cenarrusa, Former Speaker of the House; Freda Cenarrusa.

**Chairman Loertscher** called the meeting to order at 9:35 a.m.

**Rep. Batt** made a motion to approve the minutes of February 28, 29, and March 5, 2012 as written. **Motion carried by voice vote.**

**RS 21211:** **Roy Eiguren**, President of the Basque Cenarrusa Foundation, stated that **RS 21211**, a proposed Joint Memorial to request peace in the Basque region does not have the language that they would like to proceed. Mr. Eiguren requested that the committee hold **RS 21211**.

**Dr. Gloria Totoricaguena**, President, Transnational Initiatives Consulting; and **Dr. Xabier Irujo Ametzaga**, Assistant Professor, Center for Basque Studies; presented information on the history of the Basque country. Idaho has had decades of political relations with the Basque country beginning in 1938. Idaho currently ranks fourth in the number of Basque immigrants and just recently signed an economic agreement with the Basque country. The Basque population here in Idaho is very involved in a cultural exchange with their homeland and providing humanitarian aid. A memorial will encourage the peace process in Northern Spain after four (4) decades of dictatorship that worked to eliminate the Basque language, freedom of speech and the press, as well as their schools. The Idaho Legislature has passed three memorials beginning in 1972, 2002, and most recently in 2006, requesting to end the conflict in that region and choose peace.

**Pete Cenarrusa**, Former Speaker of the House, spoke of his involvement with the Basque country and their history and culture.

**Chairman Loertscher** stated **RS 21211** will be held in committee.

**H 613:** **Rep. Hartgen** deferred his time for presenting **H 613**, a bill to allow members of the Idaho Travel and Convention Industry Council serve more than once.

**Pam Eaton**, representing the Idaho Lodging and Restaurant Association, explained that **H 613** will allow the Idaho Travel Council to remain strong into the future. The main objective of **H 613** is to add the word "consecutive". Currently, members of the travel council serve only once. The Governor is unable to reappoint those connected with the major resorts, ski areas, and tourism who have already served on the council. Ms. Eaton explained that **H 613** will also change the appointment date of the council members from July 1 to January 1. Members of the Idaho Travel Council listen to grant application requests beginning in May and then award them in July. Changing the appointment date from July 1 to January 1 will allow them to see the completion of their work on the grants. Ms. Eaton stated that there are currently two (2) members on the council whose terms are scheduled to expire on July 1, 2012, and **H 613** extends their appointment until January 1, 2013. Ms. Eaton noted that Section 67-4713 deletes language that addresses removing a member of the council "for inefficiency, neglect of duty, misconduct in office" because this is hard to prove. Members serve at the pleasure of the Governor.

**Jeff Sayer**, Director, Idaho Department of Commerce, spoke **in support of H 613**. Mr. Sayer noted that in developing their short list of prospective members for appointment to the Idaho Travel Council, they found outstanding prospective members who are active in this field. Under current Idaho Code, they are not eligible because they have already been a member of the council. Mr. Sayer stated **H 613** will provide flexibility to go back and tap into talent and influencers who have already served on the council.

**MOTION:** **Rep. Guthrie** made a motion to send **H 613** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Hartgen** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 10:17 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

**AMENDED #1 AGENDA**  
**HOUSE STATE AFFAIRS COMMITTEE**  
**8:30 A.M.**  
**Room EW40**  
**Tuesday, March 13, 2012**

<b>SUBJECT</b>	<b>DESCRIPTION</b>	<b>PRESENTER</b>
<a href="#"><u>SJM 104</u></a>	HHS Regulation, Requesting Reject	Sen. Nuxoll
<a href="#"><u>SCR 128</u></a>	Administrative Rules	Dennis Stevenson, Administrative Rules Coordinator
<a href="#"><u>SCR 129</u></a>	Temporary Rules / Extended	Dennis Stevenson

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Tuesday, March 13, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representatives Crane, Anderson, Bilbao, McGeachin, Higgins

**GUESTS:** Jason Herring and Kerry Uhlenkott, Right to Life of Idaho; Landis Rossi, Roman Catholic Diocese of Boise; Dennis Stevenson, Administrative Rules Coordinator; Julie Lynde, Cornerstone Family Council; Monica Hopkins, American Civil Liberties Union (ACLU) of Idaho; Bev Warnecke, citizen

**Rep. Loertscher** called the meeting to order at 8:33 a.m.

**SJM 104:** **Sen. Sheryl Nuxoll** presented **SJM 104**. She stated that on January 20, 2012, the US Department of Health and Human Services (HHS) under Secretary Kathleen Sebelius reaffirmed a rule which forces virtually all private health care plans to cover sterilization, abortifacients, and contraception. She noted that in August 2011, the HHS also issued a list of preventive services for women, which are to be provided for within private health care plans. This list would encompass sterilization and all FDA approved birth control, including the intra-uterine device (IUD) and abortion-inducing drugs such as RU 486, morning-after pills and Ella. The coverage must also include the education and counseling to promote these contraceptives among all women of reproductive capacity. Sen. Nuxoll said nonprofit religious or other employers that do not now provide the coverage, and are not exempt under the narrow definition of religious employer, must comply by August 1, 2013. She indicated that the HHS mandate was the greatest attack on unborn children and the right to life since the Roe v. Wade decision in 1973.

In reference to the economic and social consequences, **Sen. Nuxoll** said that Catholic Charities, America's largest private network of social service organizations, having 70,000 employees, would pay \$140M a year in fines if they did not comply with the ruling. She stated that hundreds of faith-affiliated hospitals will be forced to close. Sen. Nuxoll noted that Idaho's Attorney General (AG) has expressed strong opposition to the HHS mandate and has joined with AGs from Florida, Louisiana, Maine, North Dakota, Ohio, Oklahoma, South Dakota and Colorado in fighting the federal mandate. She explained that according to a lawsuit filed against the Obama Administration, the federal mandate would require an "on going, comprehensive government surveillance" of private institutions and employers.

**Jason Herring**, Right to Life of Idaho, spoke in support of **SJM 104**. He said that the legislation was safeguarding individual religious freedom and was in agreement with Idaho's Conscience Law. He noted that he was representative of those who oppose abortifacients that are packaged under the guise of contraception and that abortion is not health care. He said that the HHS mandate is only the beginning of encroachment on the moral convictions and religious liberties of the American people. He remarked that it would only be a matter of time before all elective abortions are placed on the list of preventative services to be covered by every health plan.



Responding to questions from the committee, **Mr. Herring** said that the Idaho Conscience Law would be overridden by the federal rule. In response to further questions, he agreed that persons of faith can be religious and still wish to support the HHS Rule. He also stated that the executive order mandated governance of something that is not in the Patient Protection and Affordable Care Act signed into law on March 23, 2010.

**Kerry Uhlenkott**, Legislative Coordinator, Right to Life of Idaho, spoke **in favor of SJM 104** stating that the HHS mandate would force virtually all religious people and groups to pay for sterilizations and contraceptives, including abortion-inducing drugs. She said that the matter centered on forcing employers and institutions to provide health coverage when that coverage paid for processes or prescription use contrary to their beliefs.

**Monica Hopkins**, Executive Director, ACLU, testified **in opposition to SJM 104** stating it would impose religious discrimination on millions of American women. She said that religious liberty is not being challenged. The HHS rule allows employers to qualify for religious exemptions under four criteria: (1) their purpose must be to inculcate religious values, (2) they have to primarily employ people who share their faith, (3) they have to primarily serve people who share their faith, and (4) they must be nonprofit organizations. She stated that 28 states already require insurance plans to include contraception. She noted that the HHS rule was not in violation of First Amendment rights nor religious freedom, but that **SJM 104** was sex discrimination.

In response to questions from the committee, **Ms. Hopkins** said that the price of birth control can range from nine to fifty dollars per month depending on the type of contraception and that economic stress causes women to forego purchasing contraceptives. She also said she did not know if the HHS rule would override the State Conscience Law. Responding to an additional question regarding the First Amendment rights of employers, she stated that when employers act within the public sphere they have to play by the public rules. In response to a further question concerning if an abortion could be considered a means of contraception, Ms. Hopkins said she would have to ask a health care professional.

**Landis Rossi**, Roman Catholic Diocese of Boise, spoke **in favor of SJM 104**. She explained that she spoke on behalf of Bishop Michael Driscoll and concerned Catholics throughout the state. She said that strong legislative action on the federal level is needed to correct the threats to religious liberty and conscience rights posed by the HHS mandate. She also explained that **SMJ 104** would ensure that those who participate in mandatory health insurance coverage retain the right to provide, purchase, or enroll in health coverage that is consistent with their religious beliefs and moral convictions. **Julie Lynde**, Executive Director of Cornerstone Family Council, also spoke **in favor of SJM 104** indicating that First Amendment rights would be violated by the HHS mandate and that un-elected bureaucrats are writing agency regulations, which are imposed upon citizens by executive order.

**Bev Warnecke**, citizen, asked the committee if they knew why McDonalds could be exempt under the HHS Rule, but Catholics could not. **Chairman Loertscher** stated that it was not known.

**Sen. Nuxoll** was called upon to close debate on **SJM 104**. She said that the federal mandate forced all companies, private and public, to provide insurance for contraception. She said that the HHS Rule is discriminatory and that our forefathers wanted freedom from religious discrimination.

**MOTION:**

**Rep. Simpson** made a motion to send **SJM 104** to the floor with a **DO PASS** recommendation.

**ROLL CALL VOTE:** Rep. Buckner-Webb requested a roll call vote to send **SJM 104** to the floor with a **DO PASS** recommendation. **Motion passed by a vote of 11 AYE, 3 NAY, 5 Absent/Excused.** Voting in favor of the motion: Reps. Loertscher, Stevenson, Black, Andrus, Luker, Palmer, Simpson, Guthrie, Henderson, Sims, and Batt. Voting in opposition to the motion: Reps. Smith(30), King, and Buckner-Webb. Reps. Crane, Anderson, Bilbao, McGeachin, and Higgins were absent/excused. Rep. Bilbao will sponsor the bill on the floor.

**SCR 128:** Dennis Stevenson, Administrative Rules Coordinator, presented **SCR 128**. He stated that since the Legislative Committees have approved the rules from all agencies with the exception of IDAPA 24.25.01, Bureau of Occupational Licenses, IDAPA 07.01.07 and 07.02.05, Division of Building Safety, it was before the committee to approve the remaining 2012 Administrative Rules.

**MOTION:** Rep. Luker made a motion to send **SCR 128** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** Rep. Buckner-Webb will sponsor the bill on the floor.

**SCR 129:** Dennis Stevenson, Administrative Rules Coordinator, presented **SCR 129** stating that the legislation would block the expiration of existing temporary rules.

**MOTION:** Rep. Guthrie made a motion to send **SCR 129** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** Rep. Smith (30) will sponsor the bill on the floor.

**MOTION:** Rep. Batt made a motion to approve the minutes of the March 1, 2012 meeting. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 9:40 a.m.

---

Representative Loertscher  
Chair

---

Jean Vance  
Secretary

**AMENDED #1 AGENDA**  
**HOUSE STATE AFFAIRS COMMITTEE**  
**9:00 A.M.**  
**Room EW40**  
**Wednesday, March 14, 2012**

<b>SUBJECT</b>	<b>DESCRIPTION</b>	<b>PRESENTER</b>
<a href="#"><u>RS21157</u></a>	Tax Liens, Due Process	Rep. Harwood
<a href="#"><u>RS21523</u></a>	Retail Liquor Licenses	Rep. Jaquet
<a href="#"><u>SCR 123</u></a>	Billingsley Creek / Bonds	Sen. Winder
<a href="#"><u>S 1286</u></a>	Bingo/Raffles, Licensees	Jeff Anderson, Director Idaho Lottery Commission

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao(Reynoldson)	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: lcochrane@house.idaho.gov

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, March 14, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao (Reynoldson), Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** None

**GUESTS:** Bill Roden, Roden Law Office; Sarah Fuhrman, Roden Law Office; Becky Schroeder, Idaho Lottery Commission; Jennifer Quinno Miller, Idaho Lottery Commission; Max Greenlee, Risch Pisca; Nancy Merrill, Idaho State Parks & Recreation; Jared Tatro, Office of Performance Evaluations (OPE).

**Vice-Chairman Crane** called the meeting to order at 9:02 a.m.

**RS 21157:** **Rep. Harwood** presented **RS 21157**, proposed legislation requiring the IRS to comply with normal due process of law for court judgments and recording liens against property. **RS 21157** will protect Idaho taxpayers from an overzealous IRS and require them to follow the U.S. Constitution, specifically the Fifth Amendment. Over the years the IRS has ramped up their tax lien program. In 1999, there were 168,000 liens filed and in 2010, there were 1.1 million. Rep. Harwood noted that a tax lien on a person's credit report harms their credit worthiness for seven (7) years or longer. Rep. Harwood clarified that all of this can be done without a day in court. A federal tax lien is filed and notice sent directly to the County Recorder. The lien is recorded without any due process or notice to the taxpayer. The lien remains in effect for five years to garnish wages, bank accounts, and property. **RS 21157** will require the IRS to bring the case to a local court, and allow both parties to present their case. If the amount is more than \$5,000, it is filed in District Court, and if less than \$5,000, then it is filed in Magistrate Court. If the IRS prevails, then the judgment is recorded, and a lien is placed on their property.

In response to questions, **Rep. Harwood** stated that Idaho can dictate to the IRS what they can do in our State when the federal government has overextended itself. This is provided for in the U.S. Constitution.

**MOTION:** **Rep. Andrus** made a motion to introduce **RS 21157**. **Motion carried by voice vote.**

**SCR 123:** **Nancy Merrill**, Director, Idaho Department of Parks and Recreation, presented **SCR 123**, legislation to enter into agreements with the Idaho State Building Authority to refinance bonds issued for the Vardis Fisher property and other parcels along Billingsley Creek in the Hagerman Valley. Ms. Merrill noted the refinancing will save approximately \$600,000, and will be placed into the Trust Fund. The Department of Parks and Recreation will determine what recreational opportunities need to occur at its remaining properties in the Hagerman Valley.

**MOTION:** **Rep. Stevenson** made a motion to send **SCR 123** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Stevenson** will sponsor the bill on the floor.

**S 1286:** **Jeff Anderson**, Director, Idaho Lottery Commission, presented **S 1286**, legislation to increase the maximum allowable expenditures for bingo licensees for administrative expenses to eighteen percent (18%). The Annual Report on Charitable Gamers in Idaho was reviewed. Mr. Anderson noted that ten (10) out of 143 raffle licensees were at or over the 10% limit in 2011. Two of the licensees quit altogether, four (4) received a warning, and the Lottery Commission is working with them, and four (4) fixed the problems with guidance from the Commission. Mr. Anderson explained further that six (6) out of 43 bingo licensees were at or over the 15% limit in 2011. Two of the licenses were revoked, and four (4) organizations quit their operations.

**MOTION:** **Rep. King** made a motion to send **S 1286** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Palmer** requested to be recorded as voting **NAY.** **Rep. King** will sponsor the bill on the floor.

**RS 21523:** **Rep. Jaquet** presented **RS 21523**, proposed legislation to amend Section 23-903 of Idaho Code relating to licensure of the retail sale of liquor-by-the-drink. **Rep. Jaquet** deferred her time to **Bill Roden**.

**Bill Roden** stated that Section 29-903 of Idaho Code provides for the authorization of liquor licenses based on the population of the city. Mr. Roden pointed out that these licenses are not transferable or subject to sale, but this restriction has not been enforced. **RS 21523** proposes to grandfather all existing licenses covered by 29-903 issued prior to July 1, 2012, to be fully transferable. After that date, a liquor license based on the population of the city will be non-transferable. If it is not used in the time frame allotted, it will revert back to the State. Mr. Roden explained that **RS 21523** contains a provision that a person who possesses a transferable liquor by the drink license, and then sells or transfers that transferable liquor license, may not obtain a restaurant license for a period of five years following such sale or transfer. **RS 21523** also authorizes the issuance of a non-transferable license for the retail sale of liquor by the drink to the owner of a full service restaurant located in a resort city authorizing local option taxes.

In response to questions, **Mr. Roden** stated that the quota system was enacted in 1959 and based on the population of cities. **RS 21523** provides that licenses issued after July 1, 2012, are not transferable. Licenses issued prior to July 1, 2012, will be transferable, and will not lose their value under the current quota system. Mr. Roden notes that **RS 21523** will add liquor licenses for restaurants, if and only if, the mayor and city council decide it is appropriate for the community.

**MOTION:** **Rep. Higgins** made a motion to introduce **RS 21523.** **Rep. McGeachin** invoked Rule 38 stating a possible conflict of interest and stated she would not be voting on the motion. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:44 a.m.

---

Representative Crane  
Vice-Chair

---

Lissa Cochran  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
9:00 A.M.  
Room EW40  
Thursday, March 15, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">S 1344</a>	Brewers' Financial Interests	Rep. Eskridge
<a href="#">HJR 1</a>	Manner of Passing Bills	Sen. Vick
<a href="#">HJM 13</a>	Beyond the Border Action Plan	Rep. Eskridge

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao(Reynoldson)  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Thursday, March 15, 2012

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao (Reynoldson), Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative Smith(30)

**GUESTS:** Brig. Gen. Bill Shawver, Director, Department of Homeland Security; Fred Colby, Laughing Dog Brewery; Rob Wallace, Selkirk Abbey Brewing; Jeff Whitman, Selkirk Abbey Brewing; Jeremy Pisca, Idaho Beer and Wine Distributors Association.

**Chairman Loertscher** called the meeting to order at 9:05 a.m.

**Rep. Batt** made a motion to approve the minutes of March 8 and 12, 2012, as written. **Motion carried by voice vote.**

**S 1344:** **Rep. Eskridge** presented **S 1344**, legislation to allow brewers who produce less than 30,000 barrels of beer annually to have another financial interest in one additional brewery that produces fewer than 30,000 barrels of beer annually. Rep. Eskridge explained that currently owners of a winery can invest in numerous other wineries. **S 1344** would allow an owner of a small brewery to invest in just one other small brewery to lend their expertise and brewmaster experience. Rep. Eskridge noted **S 1344** allows for limited expansion, but enables one brewery to be compensated for helping and participating in another brewery. Rep. Eskridge stated this legislation will have a positive impact for breweries in his area, and create 16-25 new jobs.

In response to questions, **Rep. Eskridge** stated the restriction on breweries having ownership in other breweries has been in place for a long time. It has not been an issue in the past. **S 1344** will allow ownership in one other brewery, and it is a good way to address this issue.

**Fred Colby**, Laughing Dog Brewery, testified in support of **S 1344**. The statutes that he is requesting to change were written at the end of prohibition and created a three-tier system. While it is a valid system, an owner of a brewery is prohibited from owning two breweries with tap rooms. Mr. Colby stated these regulations hinder his business. Laughing Dog Brewery in Ponderay, Idaho, has 16 employees and it is still growing. Products are shipped to 36 states and Canada. **S 1344** will provide the same fairness that an Idaho winery has. It is about business, creation of jobs, and revenue for Idaho. Selkirk Abbey Brewing Company is already licensed and will proceed without him, but it stands a better chance of growing if he is involved.

In response to questions, **Mr. Colby** stated that 50% of the barley and hops purchased for Laughing Dog Brewery come from Idaho farmers. By allowing him to have a financial interest in another brewery he will be able to make other products, but also share his distributors and marketing routes. Mr. Colby advised that craft breweries have not been affected by the economic downturn to the same effect as the large breweries.

**Rob Wallace**, Selkirk Abbey Brewery, testified **in support of S 1344**, stating the bill will remove a roadblock to their success. **S 1344** will not increase the number of breweries, it will just allow for a strategic partnership and the creation of jobs.

**Jeff Wittman**, Selkirk Abbey Brewery, testified **in support of S 1344**. Mr. Wittman noted that the large breweries are owned by foreign corporations. **S 1344** will help craft brewers here in the United States.

**Jeremy Pisca**, representing Idaho Beer & Wine Distributors Association, responded to questions stating that the limitation for 30,000 barrels is found in Idaho Code § 23-1003 (d) & (e).

**MOTION:** **Rep. Henderson** made a motion to send **S 1344** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Eskridge** will sponsor the bill on the floor.

**HJR 1:** **Senator Vick** presented **HJR 1**, a Resolution to provide taxpayers with protection against higher taxes and fees by amending the Idaho Constitution to require a two-thirds vote of the House and Senate to approve increases. Senator Vick proposed an amendment that would remove any ambiguous language and provides that **HJR 1** will apply to "resolutions" as well.

**MOTION:** **Rep. Luker** made a motion to send **HJR 1** to General Orders with amendments. **Rep. Andrus** seconded the motion. **Motion carried by voice vote. Rep. King, Higgins and Buckner-Webb** requested to be recorded as voting **NAY. Rep. Luker** will sponsor the bill on the floor.

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**HJM 13:** **Rep. Eskridge** presented **HJM 13**, a Memorial to communicate to the President, Executive Branch Agencies, and Congress of the need to work together to ensure that the Border Action Plan on Perimeter Security and Economic Competitiveness and the Action Plan on Regulatory Cooperation are implemented in support of the border agreement announced on December 7, 2011. Both agreements work to streamline security and trade between the United States and Canada. Rep. Eskridge noted that 300,000 people cross the border between the United States and Canada. Canada buys more goods and services from the United States, and 8 million jobs depend on it. As a result of 9-11, security measures have been overemphasized and have impacted trade.

**Brig. Gen. Bill Shawver**, Director, Department of Homeland Security, testified **in support of HJM 13**. The United States and Canada have a long history of sharing information. We need to address threats to our homeland and protect our infrastructure, but we also need to streamline trade between the two countries.

**Brig. Gen. Bill Shawver** responded to questions by stating that there is an action plan in place to share information at the border, and curtail the illegal transport of drugs across the border.

**MOTION:** **Rep. Black** made a motion to send **HJM 13** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Eskridge** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:46 a.m.



---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
8:30 A.M.  
Room EW40  
Friday, March 16, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">RS21542</a>	Basque Country / ETA Truce	Roy Eiguren
<a href="#">RS21456</a>	Unclaimed Property Program	Ron Crane State Treasurer
<a href="#">RS21540</a>	Daylight Saving Time	Jesse Taylor
<a href="#">RS21507</a>	Residency and Voting	Rep. Sims
<a href="#">H 571</a>	Absentee Voting	Tim Hurst, Chief Deputy Office of the Secretary of State

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao(Reynoldson)  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochran  
Room: EW46  
Phone: (208) 332-1145  
email: lcochrane@house.idaho.gov

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Friday, March 16, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao (Reynoldson), Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative Henderson

**GUESTS:** Jesse Taylor, Self; Matt Westerberg, Self; Teresa Baker, Ada County; Tim Hurst, Office of the Secretary of State; Ron Crane, State Treasurer; Laura Steffler, Office of the State Treasurer; Roy Eiguren, Sullivan, Reberger, Eiguren; Dr. Gloria Totoricaguena, Transnational Initiatives Consulting.

**Chairman Loertscher** called the meeting to order at 8:31 a.m.

**RS 21542:** **Roy Eiguren** presented **RS 21542**, a proposed Joint Memorial to recognize Idaho's efforts to bring peace to the Basque homeland. Mr. Eiguren noted Idaho has the largest North American Basque population. Idaho has repeatedly memorialized efforts to establish a negotiation process to bring peace to the region since 1972, when the region was under the rule of the last dictatorship.

**Dr. Gloria Totoricaguena** stated that **RS 21542** is a request for all of the players to lay down their weapons and participate in the peace process. **RS 21542** will bring recognition to four (4) decades of violence and Idaho's importance in promoting peace in the Basque region. Dr. Totoricaguena noted that Idaho should get involved because we just signed an economic agreement with the Basque country. The State of Idaho should ensure that we are working with a democratic society.

In response to questions, **Roy Eiguren** stated that the use of the word "recognize" in the proposed memorial for victims of terrorism is the proper wording for diplomatic matters. **Senator Risch** vetted this proposed memorial with the State Department.

**MOTION:** **Rep. Smith(30)** made a motion to introduce **RS 21542** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Bilbao** will sponsor the bill on the floor.

**RS 21456:** **Ron Crane**, State Treasurer, presented **RS 21456**, proposed legislation to correct language to allow the unclaimed property program to continue receiving taxpayer identifying numbers and prior addresses. Mr. Crane explained that when the unclaimed property program was transferred from the State Tax Commission to the State Treasurer in 2010, language was inadvertently left out allowing the State Tax Commission to share taxpayer identifying numbers with the State Treasurer.

In response to questions, **Mr. Crane** explained that 36 states have the unclaimed property program under the State Treasurer. He was approached by the State Tax Commission to take over the program because it was not a good fit for their agency. Mr. Crane noted that taxpayer identifying numbers are very helpful in identifying unclaimed property. The State Tax Commission would like information on people who have unclaimed property that could be taxed.

**MOTION:** **Rep. Higgins** made a motion to introduce **RS 21456**.

**SUBSTITUTE MOTION:** **Rep. Stevenson** made a substitute motion to introduce **RS 21456** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Stevenson** will sponsor the bill on the floor.

**RS 21540:** **Chairman Loertscher** stated that **RS 21540** will be rescheduled.

**RS 21507:** **Rep. Sims** presented **RS 21507**, proposed legislation to provide corrections because of a flawed election in Kootenai County. **RS 21507** addresses residency requirements with language drafted by the Office of the Secretary of State and includes protection for the military under the Servicemembers Civil Relief Act, 50 U.S.C. app. 595. Language warning of the penalties for perjury will be printed on an absent elector's ballot form as a means of educating the elector. An "overseas voter" covered under the Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) will vote in federal elections only. Rep. Sims verified those ballot forms are available at U.S. Embassies. **RS 21507** will place further emphasis on those running the election to ensure that absentee ballots and their envelopes are consistent. If there is more than one (1) ballot in an envelope, all ballots and the envelope are voided. Rep. Sims stated that **RS 21507** provides for simple changes and corrections to ensure the validity of each vote.

In response to questions, **Rep. Sims** stated that military members can apply for an absentee ballot from their country clerk and vote on State issues. Rep. Sims further clarified that a person establishes their domicile in another state or foreign country by registering to vote, obtaining a driver's license or declaring permanent residency. There are foreign countries that require you to declare residency.

In response to questions, **Tim Hurst**, Chief Deputy, Office of the Secretary of State, noted that **RS 21507** contains residency requirements that reference "removes" rather than "moves" to another state because this is the same language used in two (2) other states. The word "removes" and "moves" have the same meaning.

**MOTION:** **Rep. Batt** made a motion to introduce **RS 21507** with the following change: on Page 1, Section 1, change the word "removes" to "moves".

**SUBSTITUTE MOTION:** **Rep. Luker** made a substitute motion to introduce **RS 21507**. **Motion carried by voice vote.**

**H 571:** **Chairman Loertscher** stated there would not be a hearing on **H 571** today.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:02 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

**AMENDED #1 AGENDA**  
**HOUSE STATE AFFAIRS COMMITTEE**  
**8:30 A.M.**  
**Room EW40**  
**Monday, March 19, 2012**

<b>SUBJECT</b>	<b>DESCRIPTION</b>	<b>PRESENTER</b>
<a href="#"><u>RS21540</u></a>	Daylight Saving Time	Jesse Taylor
<a href="#"><u>S 1330</u></a>	Air Navigation Facilities	Sen. Toryanski
<a href="#"><u>S 1270</u></a>	Boards / Commissions, Legislative Appointments	Jeff Youtz
<a href="#"><u>H 571</u></a>	Absentee Voting	Ben Ysursa Secretary of State

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher  
Vice Chairman Crane  
Rep Stevenson  
Rep Black  
Rep Anderson  
Rep Andrus  
Rep Bilbao(Reynoldson)  
Rep Luker  
Rep Palmer  
Rep Simpson

Rep Guthrie  
Rep Henderson  
Rep McGeachin  
Rep Sims  
Rep Batt  
Rep Smith(30)  
Rep King  
Rep Higgins  
Rep Buckner-Webb

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, March 19, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao (Reynoldson), Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Batt, Higgins

**GUESTS:** Phil McGrane, Ada County Deputy Clerk; Russell Westerberg, Westerberg & Associates; Jesse Taylor, Westerberg & Associates; David Ripley, Idaho Chooses Life; Tim Hurst, Office of the Secretary of State; Ben Ysursa, Secretary of State; Jeff Youtz, Director, Legislative Services Office.

**Chairman Loertscher** called the meeting to order at 8:31 a.m.

**RS 21540:** **Jesse Taylor**, representing Westerberg & Associates, presented **RS 21540**, proposed legislation to exempt Idaho from observing Daylight Saving Time (DST). Mr. Taylor noted that DST was adopted in the United States for the purpose of energy conservation. To the contrary studies have shown that energy use actually increases 1% to 2% when observing DST. It has also been found to cause a two-fold increase in heart attacks for men the Monday following the change to DST. Mr. Taylor explained there is a 7% increase in auto accidents when first observing DST, but a 7% decrease in the Fall when reverting back to Mountain Standard Time (MST).

**Jesse Taylor** responded to questions by explaining that federal law allows the states to exempt themselves from observing DST. Mr. Taylor clarified that our increase in energy use when observing DST is attributed in part to our increased use of air conditioners. While our energy consumption increases, studies have shown that a person's productivity decreases by 40% the first two (2) weeks after observing DST.

**MOTION:** **Rep. Smith(30)** made a motion to introduce **RS 21540**. **Motion carried by voice vote.**

**S 1330:** **Sen. Toryanski** presented **S 1330**, legislation to eliminate language found in Chapter 401, Title 21 of Idaho Code made obsolete by **HJR 5**. In 2010, both the House and Senate passed **HJR 5** which was subsequently approved by Idaho voters. **HJR 5** added section 3E to Article 8 of the Idaho Constitution to allow public airports to issue revenue and special facility bonds for public purposes provided the bonds were repaid solely from airport-generated fees. Sen. Toryanski noted that **S 1330** eliminates obsolete language requiring a vote to issue the bonds.

**MOTION:** **Rep. King** made a motion to send **S 1330** to the floor with a DO PASS recommendation. **Motion carried by voice vote.** **Rep. Henderson** will sponsor the bill on the floor.

**S 1270:** **Jeff Youtz**, Director, Legislative Services Office, presented **S 1270**, legislation to allow for the decommission of committees and legislative appointments that are inactive. Mr. Youtz noted that Section 1 of the bill points out there is no need for appointments to the State Treasurer's Commemorative Medallion Committee until the Treasurer issues a new silver medallion. This has not occurred since 2005. Section 2 decommissions the Pacific States Radioactive Materials Transportation Committee that has never fully organized, and has not met since the 1980s. Section 3 deals with the State Trust for Outdoor Recreation Enhancement (STORE); a program to provide recreation grants. **S 1270** does not eliminate the program, only the grant review committee. There is no money for grants, and **S 1270** will decommission the program until such time as it is funded. Section 4 repeals the Idaho Hall of Fame Building Advisory Board which has never met. Section 5 is a simple name change to accurately reflect the name of the "Western" States Transportation Agreement.

**MOTION:** **Rep. Luker** made a motion to send **S 1270** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Luker** will sponsor the bill on the floor.

**H 571:** **Tim Hurst**, Chief Deputy, Office of the Secretary of State, presented **H 571**, legislation to clarify procedures for handling and opening absentee ballot envelopes for counting. In addition to in-person absentee voting, the legislation also provides for "early voting" and specifies the procedures to be followed. Mr. Hurst explained that **H 571** will allow absentee ballots to be opened to flatten them for processing through the tabulators on the Monday before the election. A detailed security plan for the ballots must be submitted to the Secretary of State thirty (30) days before the election. Mr. Hurst noted that **H 571** requires security personnel to include a deputy sheriff, police officer, or bonded private security firm to secure the location, and **H 571** allows for poll watchers certified by the parties or candidates. Section 5 of **H 571** addresses alternative procedures for absentee voting. Mr. Hurst clarified that **H 571** does not expand absentee voting rather it allows for early voting just two (2) weeks before an election. The ballot boxes utilized for casting early ballots must remain locked and secured with a seal. Two (2) people must verify if a seal is broken and record the number of the seal. A detailed security plan submitted to the Secretary of State is required as well for "early voting".

**Tim Hurst** responded to questions by stating that ballots for our election are 16-18" long, and costs for oversized envelopes and postage rates are substantially higher. The counties use the standard size envelopes to reduce costs. Mr. Hurst verified that under federal law the Secretary of State is required to mail out absentee ballots to military personnel and overseas voters 45 days before the election. **H 571** will require security personnel for the ballots, but Mr. Hurst advised they do not need to be there 24 hours a day, seven (7) days a week. The security personnel need to make rounds of any facility housing the ballots, and the counties would bear the costs. **H 571** does not provide a timeline for the notice given to poll watchers nor criteria on who can be a poll watcher, but Mr. Hurst explained that the Secretary of State can provide directives. Common sense would prevail and poll watchers should be given sufficient notice so they can be present when ballot envelopes are opened. Mr. Hurst further clarified that all counties have access to the statewide voter registration system. If a county has multiple places to vote, each site must have access to the voter registration system.

**Phil McGrane**, Ada County Chief Deputy Clerk, testified in support of **H 571**, stating that the ability to open the ballot box each night and place the ballots in a transfer case is important due to the volume of ballots received. Further, the transfer would be a means of an audit procedure. It would allot the county to count ballots against the signatures and "balance the books" every night. If the seal is

broken, it does not erase the election results, but the issue must be raised with all parties involved. Mr. McGrane also noted that using a longer envelope to avoid folding the ballot is cost prohibitive due to the increased cost of the envelopes and a substantially higher postage rate than what the county currently receives. Mr. McGrane testified that we currently vote early with absentee voting. **H 571** changes the process of how we complete it, but it will also address security measures.

**Mr. McGrane** responded to questions by stating that poll watchers are appointed by local candidates. While they should be able to view the entire process in the interest of transparency, a buffer must be created so that the poll watchers cannot interfere.

**MOTION:**

**Rep. Luker** made a motion to **HOLD H 571** to a time certain subject to the call of the Chair. **Motion carried by voice vote.**

**ADJOURN:**

There being no further business to come before the committee; the meeting was adjourned at 9:32 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochran  
Secretary



**AMENDED #1 AGENDA**  
**HOUSE STATE AFFAIRS COMMITTEE**  
**8:00 A.M.**  
**Room EW40**  
**Tuesday, March 20, 2012**

<b>SUBJECT</b>	<b>DESCRIPTION</b>	<b>PRESENTER</b>
<a href="#"><u>H 554</u></a>	PUC, Electricity Rate, Disclosure	Rep. Gibbs
<a href="#"><u>S 1343</u></a>	State Police Director, Lt. Governor	Tom Perry Office of the Governor
<a href="#"><u>S 1363</u></a>	Unclaimed Property	Ron Crane State Treasurer
<a href="#"><u>S 1365</u></a>	Unclaimed Property	Ron Crane
<a href="#"><u>S 1366</u></a>	Administrative Rules	Roger Batt
<a href="#"><u>S 1373</u></a>	Open Access to Work Act	Jane Wittmeyer

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao(Reynoldson)	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Tuesday, March 20, 2012

**TIME:** 8:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao (Reynoldson), Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Stevenson, Anderson

**GUESTS:** Roger Batt, Idaho Heartland Coalition & Idaho Eastern Oregon Seed Association; Marty Durand, Idaho Building Trades Council; Russell Westerberg, Rocky Mountain Power; Cindy Hedge, Idaho State AFL-CIO; Ben Otto, Idaho Conservation League; Karen Ewing, Board of Veterinary Medicine; Jason Kreizenbeck, Lobby Idaho, LLC; Lynn Tominaga, Idaho Ground Water Association; Will Hart, Idaho Consumer-Owned Utilities Association; Norm Semanko, Idaho Water Users Association; Jayson Ronk, Idaho Association of Commerce & Industry; Jan Sylvester, Citizen; Brad Hunt, Office of Administrative Rules Coordinator (OARC); Kate McCaslin, Inland Pacific Chapter of the Associated Builders and Contractors; Tom Perry, Office of the Governor; Melanie Wade, Administrative Advisor, Idaho Unclaimed Property Program, Office of the State Treasurer.

**Chairman Loertscher** called the meeting to order at 8:03 a.m.

**Rep. Batt** made a motion to approve the minutes of March 9, 2012 as written. **Motion carried by voice vote.**

**Rep. Smith(30)** made a motion to approve the minutes of March 13, 2012 as written. **Motion carried by voice vote.**

**H 554:** **Rep. Gibbs** presented **H 554**, legislation to include disclosure and transparency around large capital expenditures by regulated electric utilities in the planning process when such expenditures are anticipated to be added to the electric utility rates paid by Idahoans. The coalition supporting **H 554**, as well as the three (3) power companies, Rocky Mountain Power (RMP), Idaho Power, and Avista have conducted discussions regarding the need for disclosure and transparency around large capital expenditures undertaken by the regulated electric utility companies. The parties involved, especially Rocky Mountain Power, have reached an agreement for a policy to address the issues of **H 554**. Rep. Gibbs requested that the committee **HOLD H 554** in committee.

**Rep. Gibbs** responded to questions by noting that the agreement that has been reached has no bearing on rules for the Public Utilities Commission (PUC). The PUC will conduct further hearings to gather information the parties have requested.

**MOTION:** **Rep. Smith(30)** made a motion to **HOLD H 554** in committee. **Motion carried by voice vote.**

**S 1343:** **Tom Perry**, Office of the Governor, presented **S 1343**, legislation to give the Governor authority to request that the Idaho State Police (ISP) provide security and protection for the Lieutenant Governor and his or her immediate family from time to time and as needed. Currently Idaho Code allows ISP to provide protection for the Governor, the Legislature, the Supreme Court, and the Court of Appeals. Mr. Perry stated that **S 1343** will allow the Governor to provide written direction to provide security and protection for the Lt. Governor.

**MOTION:** **Rep. Higgins** made a motion to send **S 1343** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Higgins** will sponsor the bill on the floor.

**S 1363:** **Melanie Wade**, Administrative Advisor, Idaho Unclaimed Property, State Treasurer's Office, presented **S 1363**, legislation to provide a method for the claimant to donate to a cross-section of public purposes likely to appeal to most claimants. Ms. Wade explained that sometimes the amount of unclaimed property is less than \$5.00. When the public claims their unclaimed property, **S 1363** will provide a way to donate the proceeds. The State Treasurer's office has chosen four (4) entities: the General Fund, the Public School Permanent Endowment Fund, the Veterans Cemetery Maintenance Fund, and the Park and Recreation Capital Improvement Account. Ms. Wade noted the donation will only require an electronic transfer of funds within the State Treasury.

**MOTION:** **Rep. Luker** made a motion to send **S 1363** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Guthrie** will sponsor the bill on the floor.

**S 1365:** **Melanie Wade**, Administrative Advisor, Idaho Unclaimed Property, State Treasurer's Office, presented **S 1365**, legislation to restate existing protections related to personal information and audit methodology for the Idaho unclaimed property program. In 2010, Idaho's unclaimed property program was transferred from the State Tax Commission to the Idaho Treasurer. Ms. Wade clarified that while the program was within the State Tax Commission, personal information of businesses and individuals was protected by Section 63-3076, Idaho Code, and the program's audit methodology was protected by Section 9-340F(4). Unclaimed property includes uncashed payroll checks, life insurance policies when no beneficiary is found, forgotten bank accounts, and stocks. Identifying information for the rightful owner includes telephone numbers, addresses, birth dates, and social security numbers. Ms. Wade stressed **S 1365** is to restate existing protections of personal information now that the program has been transferred from the State Tax Commission to the Treasurer's Office.

**Ms. Wade** responded to questions by explaining that the State Tax Commission already has protection for personal information disclosed on tax returns. The State Treasurer just wants to be afforded the same protection for the information disclosed in the Unclaimed Property Program.

**MOTION:** **Rep. Smith(30)** made a motion to send **S 1365** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Buckner-Webb** will sponsor the bill on the floor.

**S 1366:** **Roger Batt**, representing Idaho Heartland Coalition and Idaho Eastern Oregon Seed Association, presented **S 1366**, legislation to strengthen the Legislature's support for negotiated rulemaking. Mr. Batt explained that the genesis of **S 1366** began in 2008 when he was engaged in negotiated rulemaking with one of our state agencies and shared his experience with others. Those involved described negotiated rulemaking as an "oxymoron" due to the agency dictating what was going to happen instead of taking input from stakeholders, and pushing rules through the process without considering all pertinent information. Mr. Batt noted that **S 1366** has been reviewed by eight (8) of our state agencies through meetings, phone calls, and e-mail correspondence. **S 1366** will strengthen the negotiated rulemaking process by requiring agencies to establish, maintain, and update their negotiated rulemaking schedule, provide a list of written comments and documents to the stakeholders regarding pertinent information discussed, and prepare a written summary of unresolved issues, key information, and conclusions reached. Mr. Batt clarified that **S 1366** allows agencies discretion on how to make information accessible to negotiated rulemaking participants by either utilizing their website,

handouts, or e-mail correspondence. An emergency clause is included to allow agencies an earlier start to adopt and follow procedures outlined in **S 1366**.

**Roger Batt** responded to questions by clarifying that there are agencies that take notes or minutes regarding the rulemaking process, but they do not decipher the information and determine what the real issues are. Currently, procedures for negotiated rulemaking are already found under IDAPA 04.11.01,800-819. **S 1366** simply codifies the process.

**MOTION:**

**Vice-Chairman Crane** made a motion to send **S 1366** to the floor with a **DO PASS** recommendation.

**Karen Ewing**, representing the Board of Veterinary Medicine, testified **in opposition to S 1366**. Ms. Ewing stated a direct approach is their preferred practice, but they would need to know who is affected by a rule in order to reach them. The Board of Veterinary Medicine prefers to contact their licensees via a newsletter, explain the rules, and request feedback.

**Ms. Ewing** responded to questions by explaining the Board of Veterinary Medicine does not mind posting information on their website, but in-person negotiated rulemaking increases costs for the board due to travel and pay. The board members also lose money from their veterinary practice due to lost time.

**Jayson Ronk**, representing Idaho Association of Commerce & Industry, testified **in support of S 1366**. Mr. Rock noted that **S 1366** will streamline the rulemaking process, provide public input, and promote census.

**Norm Semanko**, representing Idaho Water Users Association, testified **in support of S 1366**. Mr. Semanko stated that **S 1366** provides a basic check-in for an agency to improve the rulemaking process, increase public participation for those already plugged in and those who are currently not involved.

**Roger Batt** closed out testimony on **S 1366** by stating that negotiated rulemaking is different from final rulemaking. An agency can streamline their procedures and cut costs by use of conference calls and webinars.

**VOTE ON  
MOTION:**

**Chairman Loertscher** called for a vote on the motion to send **S 1366** to the floor with a **DO PASS** recommendation. **Rep. Batt** invoked Rule 38 but stated she would be voting on the motion. **Motion carried by voice vote. Rep. Moyle** will sponsor the bill on the floor.

**S 1373:**

**Rep. Henderson** presented **S 1373**, legislation to provide for the efficient and cost-effective procurement of goods and services by political subdivisions as market participants. During the 2011 legislative session, **HJM 10** was signed into law, but disputed by the court and overturned. Rep. Henderson stated that **S 1373** readdresses the issue, but avoids any connection to the National Labor Relations Act (NLRA). **S 1373** will protect Idaho taxpayers from paying too much for public construction projects that are "union only", and guarantee that all construction workers in Idaho have open access to work in Idaho. Rep. Henderson clarified the intent of **S 1373** is to have Idaho's governmental entities such as the State or counties contract for construction projects as a "market participant", a purchaser of construction. By applying this procedure the State would not be construed as controlling a labor activity "protected" under the National Labor Relations Act. The State will be a purchaser of construction, a good steward of taxpayer's dollars, and keep publicly funded projects open to all contractors and all workers. The NLRA will not be preempted.

**Kate McCaslin**, President & CEO, Inland Pacific Chapter of the Associated Builders and Contractors, testified **in support of S 1373**. Ms. McCaslin stated that **S 1373** will maintain a free and open market place in Idaho, and will ensure that taxpayers have the best construction for the best price. The State will maintain a neutral approach and will not interfere with private agreements for labor activities.

**Marty Durand**, representing Idaho Building Trades Council, testified **in opposition to S 1373**. Ms. Durand stated that **S 1373** does not address all issues. The NLRA is complex as well as the court's decision overturning **HJM 10**. Ms. Durand emphasized that **S 1373** would deprive agencies of labor agreements and deny construction workers the ability to participate in the NLRA. **S 1373** would only serve the Inland Pacific Builders Association.

In response to questions, **Ms. Durand** noted that project labor agreements save the State money by ensuring workers are highly skilled, receive benefits, and provide enough workers for a project. Ms. Durand stated that she feels the State should not take a position either way.

**Rep. Henderson** closed out testimony by clarifying that **S 1373** does not involve the NLRA, it only addresses procurement. It addresses free market with competition for bidding on projects that are open to everyone whether union or merit shop.

**MOTION:**

**Rep. Simpson** made a motion to send **S 1373** to the floor with a **DO PASS** recommendation. **Vice-Chairman Crane** invoked Rule 38 because he is a member of the Pacific Inland Builders Association but stated he would be voting. **Reps. Smith(30), Buckner-Webb, Higgins & King** requested to be recorded as voting **NAY**. **Rep. Henderson** will sponsor the bill on the floor.

**ADJOURN:**

There being no further business to come before the committee; the meeting was adjourned at 9:03 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
HOUSE STATE AFFAIRS COMMITTEE  
8:00 A.M.  
Room EW40  
Wednesday, March 21, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">SCR 132</a>	Territorial Sesquicentennial	Janet Gallimore, Executive Director, ISHS
<a href="#">H 688</a>	Residency and Voting	Rep. Sims
<a href="#">H 571</a>	Absentee Voting	Tim Hurst, Chief Deputy Office of the Secretary of State

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, March 21, 2012

**TIME:** 8:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Stevenson, Black, Higgins

**GUESTS:** David Ripley, Idaho Chooses Life; Ben Ysursa, Secretary of State; Tim Hurst, Office of the Secretary of State; Cara Walker, Idaho State Historical Society (ISHS); Russell Westerberg, Self; Shelly Gannon, Gem County; Betty Thomas, Washington County; Chris Yamamoto, Canyon County; Teresa Baker, Ada County; Phil McGrane, Ada County; Tony Poinelli, Idaho Association of Counties (IAC); Betty Dressen, Payette County; Kerry Ellen Elliott, IAC.

**Chairman Loertscher** called the meeting to order at 8:04 a.m.

**Rep. Batt** made a motion to approve the minutes of March 14, 15, and 16, 2012 as written. **Motion carried by voice vote.**

**SCR 132:** **Cara Walker**, Director of Development, Idaho State Historical Society (ISHS), presented **SCR 132**. On March 4, 2013, Idaho will commemorate its Territorial Sesquicentennial. Ms. Walker noted that in a nine-month period, President Lincoln signed into law the Pacific Railway Act, issued the Emancipation Proclamation, and established the Idaho Territory, all three acts having a vital impact on the development of Idaho. Legacies of the territorial era include the creation of public school districts, which impact each and every Idahoan today, and the adoption of our State Constitution, the cornerstone of the law that governs Idaho. ISHS is championing this commemoration as assigned by the Governor in an unique manner and leading a grassroots effort at the community level with "Idaho at 150: Get Territorial" to educate Idahoans about their heritage and commemorate the 150th milestone.

**MOTION:** **Rep. Smith(30)** made a motion to send **SCR 132** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Smith(30)** will sponsor the bill on the floor.

**H 688:** **Rep. Sims** presented **H 688**, legislation for changes, corrections, and additions for our elections. Rep. Sims explained that **H 688** addresses residency requirements, but also includes provisions for the military to vote as provided for in the Servicemembers Civil Relief Act, 50 U.S.C. app. 595. **H 688** places further emphasis on educating the voter on the penalties for perjury as well as the requirement that each absentee ballot envelope shall contain only one (1) ballot in the envelope. Rep. Sims noted that **H 688** addresses the "overseas voter", as defined in the Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA), who is qualified to vote, but shall only be allowed to vote for federal offices. Rep. Sims clarified that **H 688** contains a new section, 34-1414 to maintain elections remain consistent throughout Idaho.

**Chairman Loertscher** turned the gavel over to **Vice-Chairman Crane**.

**Tim Hurst**, Chief Deputy, Office of the Secretary of State, testified in opposition to **H 688**. Mr. Hurst pointed out that **H 688** contains errors on Page 1 when defining

residency requirements. Mr. Hurst noted it should say "If a person removes to another state, territory or foreign country" rather than "county". **H 688** does not address all of the procedures for "overseas voters". If a voter leaves the country, but checks they are not coming back, they receive a federal ballot. If a person leaves the country temporarily, they can apply to their county clerk for an absentee ballot. Mr. Hurst questioned the requirement of a signature on the absentee ballot envelope verifying it contains only one (1) ballot. It is unclear on whether more than one signature will be required. Finally, the Office of the Secretary of State takes offense with the new section, 34-1414, that prevents the Secretary from promulgating rules or directives that amend or contravene State statutes. Mr. Hurst advised the Secretary of State takes an oath of office and the duties and responsibilities are addressed elsewhere in Code.

**MOTION:** **Rep. Henderson** made a motion to send **H 688** to the floor with a **DO PASS** recommendation with the following changes: on Page 1, line 25, change the word "county" to "country" and on line 28, change the word "county" to "country".

**SUBSTITUTE MOTION:** **Rep. King** made a substitute motion to send **H 688** to General Orders. **Vice-Chairman Crane** seconded the motion. **Motion carried by voice vote.** **Rep. Sims** will sponsor the bill on the floor.

**Vice-Chairman Crane** turned the gavel over to **Chairman Loertscher**.

**H 571:** **Shelly Gannon**, Gem County Clerk, testified in support of **H 571**. Ms. Gannon stated that Gem County is a large commuting community and **H 571** provides more options. The ability to have "early voting" and utilize lock boxes will provide a cost savings. Her staff will not have to open absentee ballot envelopes during the final two weeks before the election.

**Chris Yamamoto**, Canyon County Clerk, testified in support of **H 571**. The ability to open the absentee ballots and flatten them will help the optical scanners to run faster and more efficiently. While he is not a fan of early voting, it makes sense to handle them differently than absentee ballots as provided for in **H 571**.

**David Ripley**, Executive Director, Idaho Chooses Life, testified in opposition to **H 571**. He stated that he has deep concerns about the impact **H 571** will have on elections especially expanding "early voting" to two (2) weeks before the election. While the proposed process of "early voting" is similar to absentee voting, it does not have the same safeguards. With "early voting" a person may have already voted on a candidate that has issues come up within that final two-week period. Mr. Ripley stated that **H 571** is not a housekeeping bill, but deep changes to restructure voting and caters to county clerks.

**Betty Dressen**, Payette County Clerk, testified in support of **H 571**. County clerks are the frontline that deal with the public as well as the one to encourage voters to get out and vote. **H 571** will allow the ballots to be opened to lay flat. Ms. Dressen stressed the optical scanner wants a pristine ballot and it will make a big difference to have a weight on the ballots as long as possible. Ms. Dressen noted that absentee voting is a good idea for those who travel and may be out of town, but "early voting" will reduce costs related to absentee ballots which includes \$.40 for each envelope.

**Ben Ysursa**, Secretary of State, testified in support of **H 571**. Mr. Ysursa pointed out that Section 5 of **H 571** does not expand "early voting" it merely changes the process to make it more convenient for voters. Participation is the essence of an election. Mr. Ysursa stated that he disagrees with the idea that people who cast votes early are uninformed. Based on his experience those who vote early are the most informed.



Mr. Ysursa responded to questions by stating that "early voting" exists now, it is simply in-person absentee voting. **H 571** will not expand "early voting", but it will provide alternative procedures for processing the ballots. If **H 571** passes, absentee ballots will still continue to be mailed out because federal mandate requires the Secretary of State to print ballots and mail them out 45 days in advance. A person's opportunity to vote won't change, only the process. Mr. Ysursa pointed out that 15% to 20% vote by absentee ballot in Idaho. With regard to procedures proposed in **H 571**, the Secretary of State will prepare comprehensive lawful directives that address the procedures proposed by **H 571** including poll watchers, security personnel, access to keys, etc. Mr. Ysursa further responded to questions by noting that Idaho is locked into using folded ballots due to the length of the ballot as well as the tabulators utilized to count the votes. Mr. Ysursa explained that if a seal is broken on a canister of ballots, the procedure is to isolate the problem ballots and inform the candidates, the press, and the public. Finally, Mr. Ysursa stated that money has been appropriated by the Legislature to promote voter turnout. Mr. Ysursa explained that it is a wise use of taxpayer dollars to promote and provide education for the voter on any constitutional amendments as well as the issues that will be on the ballot.

**MOTION:** **Rep. King** made a motion to send **H 571** to the floor with a **DO PASS** recommendation.

**SUBSTITUTE MOTION:** **Vice-Chairman Crane** made a substitute motion to **HOLD H 571** in committee.

**ROLL CALL VOTE:** **Rep. King** requested a roll call vote on **H 571**. **Motion carried by a vote of 10 AYE, 5 NAY, 4 Absent/Excused. Voting in favor of the motion: Reps. Loertscher, Crane, Andrus, Luker, Palmer, Simpson, Guthrie, McGeachin, Sims, Batt. Voting in opposition to the motion: Reps. Anderson, Bilbao, Henderson, Smith(30), King. Reps. Stevenson, Black, Higgins and Buckner-Webb were absent/excused.**

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:18 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

**AMENDED #1 AGENDA**  
**HOUSE STATE AFFAIRS COMMITTEE**  
**8:30 A.M.**  
**Room EW40**  
**Monday, March 26, 2012**

<b>SUBJECT</b>	<b>DESCRIPTION</b>	<b>PRESENTER</b>
<a href="#"><u>S 1407</u></a>	Commerce Department, Title	Tom Perry Office of the Governor
<a href="#"><u>H 693</u></a>	Capitol Mall, Facilities Management	Rep. Bedke
<a href="#"><u>S 1348</u></a>	Medical Consent, Natural Death Act	Sen. Nuxoll

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcochrane@house.idaho.gov](mailto:lcochrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, March 26, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative Sims

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

**Chairman Loertscher** called the meeting to order at 8:31 a.m.

**Rep. Smith(30)** made a motion to approve the minutes of March 19, 2012 as written. **Motion carried by voice vote.**

**Rep. Batt** made a motion to approve the minutes of March 20 and 21, 2012 as written. **Motion carried by voice vote.**

**S 1348:** **Sen. Nuxoll** presented **S 1348**, legislation to protect patients from involuntary denial of food and fluids and from involuntary denial of life-preserving medical treatment. Sen. Nuxoll explained that **S 1348** is a patient protection bill that does not stop health care providers from declining to give medical treatment that is genuinely medically inappropriate or futile. The doctor will be protected if he or she uses objective medical standards. A reasonable medical judgment that could preserve the patient's life cannot be termed medically inappropriate or futile based on subjective opinion. Sen. Nuxoll clarified that **S 1348** addresses two (2) loopholes in current law. The first loophole is found under Section 39-4513(2), in which any health care provider unwilling to comply with the desires of a patient who wants to live is given complete immunity from malpractice for withdrawing care against the will of the patient, once the provider has made a "good faith" effort to assist in obtaining the services of another provider willing to provide the desired care, whether or not the patient's care has been transferred to another. The second loophole is found in Section 39-4514(5) where the current law allows health care providers to override the wishes of patients for treatment even without attempting to transfer care to another provider, specifically "nothing in this chapter shall be construed to require medical treatment that is medically inappropriate or futile". Sen. Nuxoll explained that in order to be protected from denial of medical treatment under **S 1348**, two (2) conditions must apply: (1) the patient or his surrogate must want the food and fluids (IVs), and or medical treatment, and (2) it has to be medical treatment or food and fluids that will preserve the life of the patient. Sen. Nuxoll pointed out that futile care does not include comfort care. Sen. Nuxoll stressed that patients and their families, not others, should decide whether their lives are worth preserving with life-saving treatment, food, and fluids. No one should be able to impose death against a patient's will simply because the physician thinks the patient's "quality of life" is too poor due to age or a disability.

**Sen. Nuxoll** responded to questions by stating that even if a patient has an advanced directive, but changes their mind, the doctor should still do what the patient wants.

**Ken McClure**, Idaho Medical Association (IMA), responded to questions regarding **S 1348**. While the IMA negotiated to amend **S 1348**, they are concerned about the patient and the family being in the driver's seat. Mr. McClure explained that an advanced directive only takes over if a patient is unable to communicate and state their preference for care.

**Julie Lynde**, Cornerstone Family Council, and **Pamela Dowd**, representing self, testified in support of **S 1348**. It is important to have an advocate for a patient, and for doctors and health care providers to respond to the wishes of the patient and their family regarding quality of care. **S 1348** is proactive, preventive and patient-centered.

**MOTION:**

**Rep. Simpson** made a motion to send **S 1348** to the floor with a **DO PASS** recommendation.

**Jason Herring**, President, Right to Life of Idaho, testified in support of **S 1348**. Mr. Herring noted that **S 1348** protects the rights and wishes of the patient, their directive, and the surrogate acting on their behalf. The legislation is ground breaking for Idaho in its definition of futile care, and closes a potential loophole in our current law by making the standard a medical judgment. Mr. Herring noted that there is a time when care becomes futile. Science and medicine reach their limits, and they cannot prevent the demise of a patient. **S 1348** recognizes that and helps to define that line. It will not require physicians to cross that line, but it does protect the patient by preventing a doctor from preempting that line based on a subjective standard. Mr. Herring stated that **S 1348** is a good bill for Idaho's citizens that helps balance the end of life equation.

**Dr. Lavonne Mills**, Family Physician, testified in support of **S 1348**. Dr. Mills noted that the Idaho Natural Death Act currently states that doctors are not compelled to provide medical care that they believe is inappropriate or futile. It also does not provide any guidance or limits on how the doctor determines that the health care desired by the patient is inappropriate or futile, except to say that euthanasia is not legal. **S 1348** will provide additional and reasonable guidance for doctors in making a determination about health care that is futile for a terminally ill patient. Dr. Mills explained that there are two (2) reasons why it is necessary to provide extra protection for patients and extra guidance for doctors. The first reason is health care professionals expressing personal opinions about someone else's "quality of life". With **S 1348** the determination of futile care would need to be based on a scientific medical assessment that death is imminent within hours or at most a few days whether or not the medical treatment is provided and that the treatment will not improve the patient's condition. Secondly, many of the sickest patients are assigned to a doctor that the patient does not know. With no long standing doctor/patient relationship, Dr. Mills stated she believes that disagreements over treatment options are harder to resolve. **S 1348** will spell out clearly for doctors, health care providers, and ordinary people, that if health care can actually prolong someone's life, then it is the patient who decides whether or not to use the treatment, not the doctor deciding by him or herself. Finally, the amendments to the Idaho Natural Death Act found in **S 1348**, decisions about dignity and control at the end of life, will be made by patients and their surrogates. What is considered inappropriate or futile will be determined by a medical assessment and scientific fact.

**Kerry Uhlenkott**, Legislative Coordinator, Right to Life of Idaho, testified in support of **S 1348**. Ms. Uhlenkott stated **S 1348** is a common sense preventative measure which will help to ensure protection for a patient's autonomy in end of life situations. Based on her personal experience caring for her mother who suffered a stroke, she learned that if the primary doctor disagreed with the family's wishes, the doctor would have been allowed to stop treatment and ignore the

advanced directive due to loopholes in the current language of Idaho's Natural Death Act. Specifically "medically inappropriate or futile" is not defined well enough to ensure that the patient receives the treatment he or she wants when there is a disagreement between the patient and the health care provider. Ms. Uhlenkott stressed that when it comes to lifesaving treatment issues, the wishes of the patient and their family need to be respected and protected. We should never be in favor of forcing a person to die when he does not want to just because a doctor may think the patient's life is not worth living.

**VOTE ON  
MOTION:**

**Chairman Loertscher** called for a vote on the motion to send **S 1348** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Simpson** will sponsor the bill on the floor.

**S 1407:**

**Tom Perry**, Office of the Governor, presented **S 1407**, legislation to permit the Director of the Department of Commerce to use the title of "Secretary" of the Department for purposes of international trade. Mr. Perry explained the proposed amendment would give the same latitude to the Director of the Department of Commerce as the Director of the Idaho Department of Agriculture when conducting business.

**Mr. Perry** responded to questions by stating that the title of "Secretary" is acceptable when conducting trade missions in Asian countries. The title of "Director" is not on par because their cabinet positions hold the title of "Secretary".

**MOTION:**

**Rep. Buckner-Webb** made a motion to send **S 1407** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Buckner-Webb** will sponsor the bill on the floor.

**H 693:**

**Teresa Luna**, Director, Department of Administration (DOA), presented **H 693**, legislation to clarify the authority of the Director to promulgate rules governing public conduct on the Capitol Mall. Ms. Luna noted that while the need to formalize rules regarding Capitol Mall properties became clear due to the Occupy Boise movement, this legislation is not directed at them.

**Ms. Luna** responded to questions by stating that the DOA currently does not have the ability to make rules about the public's behavior while on Capitol Mall property. **H 693** will allow the DOA to utilize the rule-making process. Ms. Luna stated the DOA will ensure the rules promulgated maintain a neutral content and will be similar to those utilized by the City of Boise.

**Barbara Kemp, Katie Fite, Cay Marquart, Anne Hausrath, Cyndi Tiferet, Gene Bray, Jeff Harry, Mary Reali, Shavone Hasse**, representing self; and **Rachael Raue, Angel Glen Garity, Mike Despot**, representing public citizen; testified in **opposition to H 693**. Points of opposition included: the Legislature's time is precious and should be spent on other issues. We need to enact as few laws as possible, but they should be extremely well-crafted laws that benefit all Idahoans. **H 693** appears to be content-specific, a single purpose bill directed at shutting down one group who may have different beliefs. The rules that will be promulgated under **H 693** will harm a person's rights under both the Idaho and United States Constitution. There should not be a rush to judgment due to the recent judicial decision about the current use of the Capitol Annex property. **H 693** requires more review to ensure it will not overlap with existing statutes.

**Dean Gunderson**, representing self; testified in **support of H 693**, stating he would like to have **H 693** in effect when the evidentiary hearing is held in April regarding the current case on the use of the Capitol Annex. It will provide evidence of contempt of court.

**Roger Brown**, Deputy Chief of Staff, Office of the Governor, testified **in support of H 693**. Mr. Brown stated that **H 693** will allow the DOA to manage state property and promulgate rule-making that will include the monuments as well as the infrastructure of the Capitol Mall properties.

In response to questions, **Mr. Brown** stated that the existing rule-making process does not provide the DOA with the ability to make rules about the use of a building or the Capitol Mall property.

**Teresa Luna** closed out testimony by noting that **H 693** will provide authority for the Department of Administration to promulgate rules for and manage state-owned properties.

**Ms. Luna** verified that the Executive Branch has control over the Second floor of the Capitol while the Legislature controls the rest of the Capitol. **H 693** simply restates this.

**Brian Kane**, Assistant Chief Deputy, Office of the Attorney General, responded to additional questions by stating that **H 693** contains a provision for the Director of DOA to have the authority to sue to enjoin any threatened or continuing violation of rules promulgated as a result. Mr. Kane explained that **H 693** contains this provision simply to allow the State to take action when certain acts are threatened to take place on the Capitol Mall. The State would have authority to enjoin an injunction after having shown eminence for injury and danger to the State.

**MOTION:** **Vice-Chairman Crane** made a motion to send **H 693** to the floor with a **DO PASS** recommendation.

**SUBSTITUTE MOTION:** **Rep. King** made a substitute motion to send **H 693** to General Orders. **Rep. Smith(30)** seconded the motion.

**VOTE ON SUBSTITUTE MOTION:** **Chairman Loertscher** called for a vote on the substitute motion to send **H 693** to General Orders. **Motion failed by voice vote.**

**VOTE ON ORIGINAL MOTION:** **Chairman Loertscher** called for a vote on the motion to send **H 693** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Reps. King, Smith(30), and Buckner-Webb** requested to be recorded as voting **NAY. Rep. Bedke** will sponsor the bill on the floor.

**Chairman Loertscher** stated that Page, **Morgan Fox**, will be recognized for her service to the committee during the final meeting.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:57 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary

AGENDA  
**HOUSE STATE AFFAIRS COMMITTEE**  
Upon Adjournment of the House  
Room EW40  
Wednesday, March 28, 2012

SUBJECT	DESCRIPTION	PRESENTER
<a href="#">S 1386</a>	Civil Air Patrol	Sen. Winder
	Approval of Minutes	

***If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.***

COMMITTEE MEMBERS

Chairman Loertscher	Rep Guthrie
Vice Chairman Crane	Rep Henderson
Rep Stevenson	Rep McGeachin
Rep Black	Rep Sims
Rep Anderson	Rep Batt
Rep Andrus	Rep Smith(30)
Rep Bilbao	Rep King
Rep Luker	Rep Higgins
Rep Palmer	Rep Buckner-Webb
Rep Simpson	

COMMITTEE SECRETARY

Lissa Cochrane  
Room: EW46  
Phone: (208) 332-1145  
email: [lcocrane@house.idaho.gov](mailto:lcocrane@house.idaho.gov)

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, March 28, 2012

**TIME:** Upon Adjournment of the House

**PLACE:** Room EW40

**MEMBERS:** Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims, Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/  
EXCUSED:** Representative(s) Black, McGeachin

**GUESTS:** None

**Chairman Loertscher** called the meeting to order at 9:42 a.m.

**S 1386:** **Sen. Winder** presented **S 1386**, legislation to establish a State Directorate of the Civil Air Patrol Idaho Wing under the Idaho Military Division and Department of Homeland Security. Sen. Winder explained the Civil Air Patrol existed prior to World War II, and provides services that include search and rescue missions as well as assistance during natural disasters. Currently, the Civil Air Patrol has a small office space located at Gowen Field. Sen. Winder noted that **S 1386** will allow their aircraft to be housed there as well as space becomes available.

**Sen. Winder** responded to questions by stating that the aircraft for the Civil Air Patrol is currently housed in an aircraft hanger at the Nampa Municipal Airport.

**MOTION:** **Rep. Smith(30)** made a motion to send **S 1386** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Smith(30)** will sponsor the bill on the floor.

**Rep. Batt** made a motion to approve the minutes of March 26, 2012, as written. **Motion carried by voice vote.**

**Rep. Higgins** made a motion to approve the minutes of the Batt Subcommittee meeting of January 19, 2012, as written. **Motion carried by voice vote.**

**Chairman Loertscher** recognized Page, **Morgan Fox**, for her service to the State Affairs committee as well as Secretary, **Lissa Cochrane**.

**ADJOURN:** There being no further business to come before the committee; the meeting was adjourned at 9:50 a.m.

---

Representative Loertscher  
Chair

---

Lissa Cochrane  
Secretary