

MINUTES

HOUSE COMMERCE & HUMAN RESOURCES COMMITTEE

- DATE:** Thursday, January 31, 2013
- TIME:** 1:30 P.M.
- PLACE:** Room EW05
- MEMBERS:** Chairman Hartgen, Vice Chairman Anderson(31), Representatives Loertscher, Anderst, Hancey, Harris, Holtzclaw, Mendive, Romrell, VanOrden, King, Woodings
- ABSENT/
EXCUSED:** Rep. Romrell
- GUESTS:** Terri DeNinno, Division of Human Resources (DHR); Damien Bard, Karen Ballard, Eddie Yen and Xu Fang, Department of Commerce; Donna Caldwell and Andrea Ryan, Idaho Department of Lands (IDL); Tony Smith, Benton Ellis; Richard Caldwell, Toni Brinegar and Paul Tierney, citizens; Bryon Welch, Office of Performance Evaluations (OPE); Robyn Lockett, Legislative Services Office (LSO)
- Chairman Hartgen** called the meeting to order at 1:30 p.m.
- MOTION:** **Rep. Woodings** made a motion to approve the minutes of January 29, 2013. **Motion carried by voice vote.**
- RS 21771:** **Phil McGrane**, Office of the Ada County Clerk, presented **RS 21771**. He explained that during the past year, unemployment claims have been filed based upon temporary election work that occurs largely on Election Day. This proposed legislation would exempt temporary election workers, such as poll workers, from unemployment eligibility based on that work. Approximately 1500 temporary election workers are employed each election year by Ada County.
- MOTION:** **Rep. Van Orden** made a motion to introduce **RS 21771**.
- In response to questions, **Mr. McGrane** stated that this change is narrow and would be focused on temporary election workers. There is no indication that election workers have organized an effort to secure unemployment insurance benefits. It would be possible to examine restricting benefits to other temporary workers for future legislation.
- VOTE ON
MOTION:** **Chairman Hartgen** called for a vote on the motion to introduce **RS 21771**. **Motion carried by voice vote.**
- Damien Bard**, Department of Commerce, presented the Annual Legislative Update for the Division of International Business. He stated that the Division works with a team of three international offices in China, Taiwan, and Mexico. Exports continue to be a vital part of Idaho's economy despite the recession. He believes that Idaho benefitted from approximately 5.9 billion dollars in exports in 2012. Efforts are currently focused on assisting small and medium sized companies who do not have dedicated sales and marketing departments to reach out to overseas markets.

Eddie Yen, Trade Manager for Idaho's Taiwan Office, provided a brief overview of Taiwan. Taiwan is a small island, about 1/6 the size of Idaho. Currently the population is approximately 23.2 million and the Gross Domestic Product (GDP) is US \$474 billion. The GDP grew 1.13% in 2012 and 3.15% in 2013. Bilateral trade with the United States last year was at approximately US \$57 billion. Idaho exports to Taiwan accounted for US \$760 million in 2011, and represented 15% of Idaho's total exports. Idaho companies that have been involved in trade with Taiwan include Ray Core, Outdoor Gourmet, Koenig and Snyder wineries, Wild Touch Taxidermy, Dynamite Marketing, and Boise Cascade. In 2012, Taiwan hosted six trade shows, and eight events including four press events to assist the State of Idaho in increasing Idaho's exports to Taiwan. Industry specific marketing efforts have included the creation and distribution of two bilingual industry brochures with 17 participating companies. An inbound delegation to Idaho visited more than 35 Idaho companies. In November of 2012, a trade seminar in Taiwan saw over 150 companies and 210 people in attendance to learn about trade opportunities with Idaho. On November 1, 2012, the visa authorization time for Taiwanese people to visit the United States was reduced, and the fee was reduced from \$140 to \$14. This is expected to increase the numbers of individuals and groups coming to Idaho. Tourism has increased from 4 million travelers in 2008 to 7 million in 2012, and is expected to continue to increase. Tourism promotions that have taken place recently include the Taipei International Travel Fair, the My Dream Vacation USA program, and press conferences on travel themes including National Parks, Sports and Shopping. More than 750 visitors attended the Taipei Building Materials Show, which highlighted Idaho companies. Taiwan is the 5th largest export market for US beef in Asia, and imports were resumed on September 15, 2012. Idaho's interest in beef and pork exports involve an approximate \$3.5 to \$5 million increased sales potential. New export opportunities include technology for dealing with biomass, and technology and equipment for semi-conductor megafab, as well as green building materials, products and services for an aging senior population, pet products, and health and beauty products. Promotional programs for 2013 will include the Governor's Trade Mission to Korea, Taiwan and Vietnam in late April, as well as investment seminars, education and travel fairs, a food show, and a biotech show. Also, there will be a furniture show, a building materials show, and buying missions to Idaho.

Xu Fang, Trade Manager for Idaho's China Office, has experienced 7.8% Gross Domestic Product (GDP) growth in 2012. China is the fastest growing market for United States exports and was Idaho's second largest export market in 2011. Growth in Idaho exports to China from 2000 to 2011 increased 596%. During Idaho's Trade Mission to China in 2012, seventeen Idaho companies were represented and over fifty business meetings were arranged. Two receptions were held with over 400 attendees. Upcoming events include the China Housing Show, the United States Build Mission, the China Foreign Direct Investment Fair and the United States China Build Seminar Series.

In response to questions, **Mr. Bard** stated that assistance with trade and exports is available through the Export Import Bank of the US and the Small Business Association. These organizations help manage risk associated with export trade. The Taiwan office is located in Taipei's World Trade Center, and they have a small showcase of Idaho products and services in the office. The China office is located in Shanghai, in an independent commercial space. Both offices focus primarily on Idaho but do also work with other agencies such as the United States Department of Agriculture. Seeds are a major export commodity from Idaho to China, and canned corn is a significant export to Taiwan. Currently Idaho's largest trading partner is Canada.

In response to questions, **Mr. Yen** stated that the market in Taiwan is moving toward natural and organic food and Certified green building materials. Energy has also become an issue, and the Taiwanese government has offered US \$1.7 million for geothermal energy research projects.

In response to questions, **Mr. Fang** has stated that urbanization and environmental protection are concerns for China. There has been a large increase in cheese exports from Idaho to China recently, as well as bottled water. Food safety and nutrition have become concerns.

Jeff Youtz, Legislative Services Office, has requested to delay his scheduled follow-up discussion related to the informational presentation given by **Vickie Tokia**, Division of Human Resources, last Tuesday, January 29, 2013, regarding employee compensation.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:22 p.m.

Representative Hartgen
Chair

Mary Tipps
Secretary