

MINUTES  
**HOUSE COMMERCE & HUMAN RESOURCES COMMITTEE**  
**VANORDEN SUBCOMMITTEE**  
Administrative Rules

**DATE:** Wednesday, January 15, 2014

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

**PLACE:** Room EW05

**MEMBERS:** Chairman VanOrden, Representatives Hartgen, Loertscher, Mendive, Hancey, Woodings

**ABSENT/  
EXCUSED:** None

**GUESTS:** Lindsay Egbert, Beth Kilian, Mindy Montgomery, Jane McClaran, Patti Vaughn and Tom Limbaugh, Industrial Commission; Bob Fick, Josh McKenna and Michael Johnson, Department of Labor; Sharon Duncan, Kim Toryanski, Jess Simonds, Joe Webber and Michelle Peugh, Department of Human Resources

**Chairman VanOrden** called the meeting to order at 1:32 p.m.

**DOCKET NO. 09-0130-1301:** **Bob Fick**, Department of Labor, presented **Docket No. 09-0130-1301**, which eliminates the teleclaim option for unemployment benefit recipients due to new reporting requirements that claimants must report not only that they have looked for work, but also with whom they have applied. Claimants will be able to report over the internet, which can be utilized from their homes or from public computers at libraries or other locations. This docket also defines a 12-week time limit for a claimant with job-attached status, for example workers who have been laid off by construction companies due to winter weather but who will be returning to work with that same employer. Employees who are considered to be job-attached are exempt from work-search requirements.

In response to questions, **Mr. Fick** stated that workers utilizing the teleclaim service were required to keep logs of their individual work searches, which were randomly audited. The main industries experiencing layoffs and unemployment in Idaho include construction, agricultural work, food production, and logging.

**Josh McKenna**, Department of Labor, responded to questions stating that the teleclaim system simply required individual claimants to respond "yes" or "no" when asked if they had searched for work during the previous week. No details were provided. Random audits of employers are conducted to check the accuracy of claimants' work search reports.

**MOTION:** **Rep. Hancey** made a motion to recommend approval of **Docket No. 09-0130-1301** to the full committee. **Motion carried by voice vote.**

**DOCKET NO. 09-0135-1301:** **Bob Fick**, Department of Labor, presented **Docket No. 09-0135-1301**, which requires electronic filing of quarterly reports on employee pay and taxes. Currently approximately 6,000 (or 15%) of employers use this system. This docket would require all employers to use the system, which helps the Department of Labor avoid errors and maintain more accurate records. Additionally, the docket would adopt the U.S. Department of Labor's guidelines for identifying independent contractor status. Independent contractors are not subject to certain taxes and benefits.

Responding to questions, **Mr. Fick** said the emphasis on independent contractors has come from the U.S. Department of Labor, which is concerned about correctly identifying independent contractors vs. employees. This is part of the Integrity Campaign. Simplifying the process of correctly identifying worker status protects the employer and worker.

**MOTION:** **Rep. Mendive** made a motion to recommend approval of **Docket No. 09-0135-1301** to the full committee. **Motion carried by voice vote.**

**DOCKET NO. 15-0401-1302:** **David Fulkerson**, Division of Human Resources, presented **Docket No. 15-0401-1302**. He said this docket provides and revises definitions on administrative leave and salary increases, in order to provide clarity. It spells out the terms of underfilling, which involves paying an employee a rate below the required pay grade for his or her position during a training period. The terms "Disabled Veteran" and "Veteran" are revised to match their definitions in statute. The evaluation schedule for employees is adjusted, specifying probationary periods and the requirements for annual evaluations. Additionally, it states that an employee's service records of past performance will be transferred from one State employer or agency to another, allowing the new employer to review that employee's work history.

In response to questions, **Mr. Fulkerson** explained formal reviews are not required for each employee who receives a salary increase based on merit, however a current evaluation needs to be on file. Administrative leave is time off from work during which an employee is still being paid. Administrative leave could cover employees who are the subject of investigations, or during periods of severe weather when travel to work would not be safe.

**MOTION:** **Rep. Hartgen** made a motion to recommend approval of **Docket No. 15-0401-1302** to the full committee. **Motion carried by voice vote.**

**DOCKET NO. 17-0209-1301:** **Patti Vaughn**, Industrial Commission, presented **Docket No. 17-0209-1301**. She said the changes included in this docket have been in effect under Temporary Rules since July 31, 2013, however legislative approval is now required. Numerical relative value units and conversion factors assigned to each medical service category are being updated. Changes to conversion factors are only to correct an earlier error. The rate of reimbursement for prescriptions has been raised after pharmacies indicated concerns about the low rates that were previously held. Reimbursement for pharmacy services is determined by adding the average wholesale price of the medication or item to a set dispensing fee.

**MOTION:** **Rep. Woodings** made a motion to recommend approval of **Docket No. 17-0209-1301** to the full committee. **Motion carried by voice vote.**

**DOCKET NO. 17-0210-1301:** **Jane McClaran**, Industrial Commission, presented **Docket No. 17-0210-1301**, saying this docket incorporates suggestions from the Administrative Rules Coordinator to achieve consistency among state agencies and simplify the rule itself. These changes include: hours of operation and office location, compliance with the Public Records Act, and the removal of actual reporting forms in the appendix. She said the Commission has also added timelines to meet reporting requirements in Idaho Code.

**MOTION:** **Rep. Mendive** made a motion to recommend approval of **Docket No. 17-0210-1301** to the full committee. **Motion carried by voice vote.**

**DOCKET NO. 17-0211-1301:** **Jane McClaran**, Industrial Commission, presented **Docket No. 17-0211-1301**. She said this Pending Rule also incorporates the suggestions from the Administrative Rules Coordinator to achieve the same objectives of consistency and simplification of the rules governing self-insured employers. These include: hours of operation and office location, compliance with the Public Records Act, and the removal of actual reporting forms in the appendix. The Commission is not proposing any changes to the current reporting forms. A provision was added for a guaranty agreement under both the qualification and continuing requirements for self-insured employers.

**MOTION:** **Rep. Hancey** made a motion to recommend approval of **Docket No. 17-0211-1301** to the full committee. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the subcommittee, the meeting was adjourned at 2:18 p.m.

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Representative VanOrden  
Chair

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Mary Tipps  
Secretary