

MINUTES  
**HOUSE COMMERCE & HUMAN RESOURCES COMMITTEE**

**DATE:** Tuesday, February 17, 2015

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

**PLACE:** Room EW05

**MEMBERS:** Chairman Hartgen, Vice Chairman Anderson, Representatives Harris, Holtzclaw, Romrell, Chaney, Horman, Nielsen, Packer, Redman, King, Chew, Rudolph

**ABSENT/  
EXCUSED:** None

**GUESTS:** Don Drum, PERSI; Jeff Sayer, Megan Hill, Idaho Department of Commerce; Marilyn Whitney, Governor's Office

**Chairman Hartgen** called the meeting to order at 1:31 p.m.

**HCR 6:** **Don Drum**, PERSI Executive Director presented **HCR 6** which is to reject IDAPA 59.0103.1401 as it has been superseded by another rule in regards to PERSI contributions. There is no impact to the General Fund.

**MOTION:** **Vice-Chairman Anderson** made a motion to send **HCR 6** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Vice Chair Anderson** will sponsor the bill on the floor.

**H 120:** **Jeff Sayer**, Director Idaho Department of Commerce, presented **H 120** which aligns the number of planning regions as well as the disparity in compensation for members of the Idaho Travel Council and the Economic Advisory Council (EAC). Currently EAC members are not compensated, but with this change, they would receive a \$50.00 per day stipend. The stipend is recommended because of added responsibilities and time of members because of their reviews of applications for the Idaho Tax Reimbursement Incentive. Additionally, the change will move the EAC to a seven region model which would increase the board to eight people. Each board member must reside in the region they represent. Because the board has an even number of members, in the event of a tie vote, the motion would fail or the chairman's vote would not count. This bill will have zero fiscal burdens, costs and would be absorbed by the Idaho Department of Commerce. The Idaho Department of Commerce is asking for support of the Committee to send this to the floor.

In response to questions, **Mr. Sayer** stated the current council is dynamic and they discuss and provide input on issues within the Idaho Department of Commerce, to move issues forward and create resolutions. This body oversees how grants are awarded and with the additional roles added, an additional member to the council would make the council more dynamic and the additional member would have a statewide perspective.

**MOTION:** **Rep. Romrell** made a motion to send **H 120** to the floor with a **DO PASS** recommendation.

**Rep. Nielsen** stated his concern that the grants the council is overseeing, he feels are discriminatory to businesses with less than twenty five employees.

In response to questions, **Mr. Sayer** said if the council members are paid they will not contribute to PERSI. This pay for the council members is just about fairness, so that they are compensated from their time.

**VOTE ON MOTION:**

**Chairman Hartgen** called for a vote on the motion to send **H 120** to the floor with a **DO PASS** recommendation. **Motion carried my voice vote. Reps. Nielsen, Harris and Redman** requested they be recorded as voting **NAY**. **Rep. Chaney** will sponsor the bill on the floor.

**H 100:**

**Rep. Packer** presented **H 100** which removes an unfair carve-out, giving special treatment to legislators to accumulated service time for PERSI benefits. Idaho statute governs the PERSI benefits which are eventually paid to part-time, elected officials who have been elected or appointed to a full-time government service. The split calculation considers both full and part-time portions of service in determining retirement benefits. There is no fiscal impact of this legislation.

**Rep. Harris** stated this split calculation is quite generous putting much weight on the full-time portion. In 1990, new legislation created a special carve-out just for legislators allowing them to consider all service years as full-time. This can create a substantial and inequitable spike in their eventual benefit payments, sometimes four to seven times more than they would have otherwise received. No other elected official can claim this same advantage.

In response to questions, **Rep. Harris** stated PERSI retirement is used by taking the average of the highest paid 42 months to calculate the pay.

**MOTION:**

**Rep. Redman** made a motion to send **H 100** to the floor with a **DO PASS** recommendation.

In response to questions, **Rep. Packer** stated all time served as a state employee is counted, but would just be based on full or part-time

**VOTE ON MOTION:**

**Chairman Hartgen** called for a vote on the motion to send **H 100** to the floor with a **DO PASS** recommendation. **Motion carried by a unanimous voice vote. Reps. Harris and Packer** will sponsor the bill on the floor.

**ADJOURN:**

There being no further business to come before the committee, the meeting was adjourned at 2:01 p.m.

---

Representative Hartgen  
Chair

---

Erin Hutto  
Secretary