

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Friday, February 05, 2016

TIME: 9:00 A.M.

PLACE: Room EW40

MEMBERS: Chairman Loertscher, Vice Chairman Batt, Representatives Andrus, Luker, Crane, Palmer, Sims, Barbieri, Holtzclaw, McMillan, Bateman, Cheatham, Nielsen, Smith, Jordan, McCrostie, Wintrow

**ABSENT/
EXCUSED:** None

GUESTS: Will Hart, Idaho Consumer Owned Utilities Association; Jeff Harvey, Secretary of State; Matt Reike, self; Russell Westerberg, PacifiCorp.

Chairman Loertscher called the meeting to order at 9:02 a.m.

MOTION: **Rep. Holtzclaw** made a motion to approve the minutes of the January 29, February 1, and 2, 2016 meetings. **Motion carried by voice vote.**

RS 24358C1: **Will Hart**, Executive Director, Idaho Consumer Owned Utilities Association, presented **RS 24358C1**, proposed legislation that exempts public disclosure of any public record that contains sensitive information regarding critical infrastructure and adds a definition for "infrastructure". He stated the current statute only protects persons and not property and there is no current definition of the word "infrastructure." He stated Idaho Cities, the Newspaper Associations, as well as others, support the legislation.

MOTION: **Rep. Cheatham** made a motion to introduce **RS 24358C1**. **Motion carried by voice vote.**

Rep. Wintrow spoke **in support** of the motion and stated she would like more history on the statute at the bill hearing.

H 389: **Jeff Harvey**, UCC/Liens Supervisor, Secretary of State, presented **H 389**, a bill that resolves a discrepancy in the law between the filing requirements of liens in crops in Title 45, Chapter 3, Idaho Code and the filing requirements under the Uniform Commercial Code. He stated the legislation clearly states that a claim of lien in crops meets the requirements of perfection for farm products financing statement under Title 28, Chapter 9, Idaho Code.

MOTION: **Rep. Batt** made a motion to send **H 389** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Nielsen** will sponsor the bill on the floor.

Rep. Batt invoked Rule 38 stating a possible conflict of interest but that she would be voting on the legislation.

H 390: **Jeff Harvey**, UCC Liens Supervisor, Secretary of State, presented **H 390**, a bill that removes the requirement that benefit corporations file an annual benefit report with the Secretary of State. He stated the legislation would make the requirements for benefit corporations the same as other corporations in the state. He stated benefit corporations would still be required to send their annual benefit report to each stockholder and post it on the corporation's website, if it has one.

In response to committee questions, **Mr. Harvey** stated there are three levels in which benefit corporations must report, 1) to each shareholder, 2) posted on the company's website and/or 3) reports available upon public request. He stated the Secretary of State's office is basically the filing office for these companies and has no other power over them. He stated other states have questioned the advantages of benefit corporations filing their report with the Secretary of State. He also stated no reports have been filed by benefit corporations yet because the one-year mark to file has not come to pass. He stated there will be no overlap in the effective date of the legislation. He stated the fee to file the report is \$30.00.

MOTION: **Rep. McCrostie** made a motion to send **H 390** to the floor with a **DO PASS** recommendation. **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

Kasey Winder
Secretary