

MINUTES
HOUSE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Monday, January 23, 2017
TIME: 1:30 P.M.
PLACE: Room EW05
MEMBERS: Chairman Hartgen, Vice Chairman Anderson, Representatives Harris, Holtzclaw, Horman (Reed), Packer, Redman, Kingsley, Moon, Syme, King, Chew
**ABSENT/
EXCUSED:** None
GUESTS: Mike Hampton and Don Drum, PERSI; Barry Wood and Andrea Patterson, Idaho Courts

Chairman Hartgen called the meeting to order at 1:29 pm.

MOTION: **Rep. King** made a motion to approve the minutes of the January 19, 2017, meeting. **Motion carried by voice vote.**

DOCKET NO. 59-0201-1601: **Don Drum**, Executive Director, Public Employee Retirement System of Idaho (PERSI), presented **Docket No. 59-0201-1601**. This rule increases employer and employee contribution rates to the Judges' Retirement Fund (JRF) to lower the amortization period to 25 years or less, as required by Idaho Code.

In response to Committee questions, **Don Drum** stated a 7% net market return is required to break even and explained there is the option to reduce contribution rates, but the amortization rate is based off the latest actuarial valuation and therefore is not immediately reflective of market performance. PERSI has only been administering the JRF since 2014 and has never reduced contribution rates.

In response to Committee questions, **Andrea Patterson**, Human Resources Director, Idaho Courts, explained COLA provisions for the JRF and stated court fees offset employer contributions, thus significantly decreasing the net employer contribution percentage.

MOTION: **Rep. King** made a motion to approve **Docket No. 59-0201-1601**. **Motion carried by voice vote. Reps. Harris and Moon** requested they be recorded as voting **NAY**.

DOCKET NO. 59-0201-1602: **Don Drum** also presented **Docket No. 59-0201-1602**. This rule brings state law into compliance with the Internal Revenue Code, which limits an individual who is participating in two or more defined benefit plans from withdrawing more than \$210,000 total, per year.

MOTION: **Rep. Harris** made a motion to approve **Docket No. 59-0201-1602**. **Motion carried by voice vote.**

Jessica Epley, State Relations Executive, National Council on Compensation Insurance, presented information on Workers Compensation Insurance.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:15 pm.

Representative Hartgen
Chair

Erica McGinnis
Secretary