

MINUTES
HOUSE BUSINESS COMMITTEE

DATE: Wednesday, February 01, 2017

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Barbieri, Vice Chairman Clow, Representatives Collins, Crane, Palmer, Thompson, Hixon, Monks, Anderst, Dixon, Troy, Stevenson, Armstrong, DeMordaunt, Manwaring, Smith (Nye), Kloc, Toone

**ABSENT/
EXCUSED:** Representative(s) Palmer, Hixon, Anderst, DeMordaunt

GUESTS: Mike Gamblin, MiChelle Bird, Real Estate Commission; John Nielsen, Arlan Smith, DBS; Tom Donovan, Knute Sandahl, DOI; Shad Priest, Regence Blue Shield

Vice Chairman Clow called the meeting to order at 1:32 p.m.

Vice Chairman Clow turned the gavel over to **Chairman Barbieri**.

Chairman Barbieri requested the Troy Subcommittee on Administrative Rules give their report.

MOTION: **Rep. Thompson** made a motion to approve the minutes of the Troy Business Subcommittee. **Motion carried by voice vote.**

MOTION: **Rep. Troy** made a motion to accept the report of the Troy Business Subcommittee meeting of, January 23, 2017. **Motion carried by voice vote.**

MOTION: **Rep. Troy** made a motion to approve all Pending Rules with the exception of **Docket No. 07-0501-1601** and **Docket No. 07-0816-1601**. **Motion carried by voice vote.**

MOTION: **Rep. Troy** made a motion to approve **Docket No. 07-0816-1601** with the exception of **Subsection 010.01.a**.

Chairman Barbieri put the committee at ease.

Chairman Barbieri resumed the meeting.

**MOTION
WITHDRAWN:** **Rep. Troy** withdrew her motion to approve **Docket No. 07-0816-1601** with the exception of **Subsection 010.01.a**.

Chairman Barbieri put the committee at ease.

Chairman Barbieri resumed the meeting.

MOTION: **Rep. Crane** made a motion to approve **Docket No. 07-0816-1601** with the exception of **Subsection 010.01.a.**, to include the strike out which says: We make this book available to all persons concerned with the maintenance of safe working conditions in the logging industry. **Motion carried by voice vote.**

MOTION: **Rep. Troy** made a motion to reject **Docket No. 07-0501-1601**.

Rep. Crane declared Rule 38. He spoke to the motion stating the rule is overregulation of journeymen electricians.

**VOTE ON
MOTION:** **Motion carried by voice vote.**

RS 24839: **Michelle Bird**, Executive Director of the Real Estate Commission, presented **RS 24839**, stating current license law requires the broker's licensed business name to be displayed on advertisements because the broker is responsible for the activities of the brokerage. This legislation would clarify the broker's licensed business name must be readily noticeable on licensee advertising.

MOTION: **Rep. Manwaring** made a motion to introduce **RS 24839**. **Motion carried by voice vote.** **Reps. Monks, Armstrong and Barbieri** requested to be recorded as voting **NAY**.

RS 24882: **Michelle Bird**, Executive Director of the Real Estate Commission, presented **RS 24882**. The proposed legislation will allow commercial real estate agents licensed in another state to work in Idaho in coordination with an Idaho broker without having to be licensed in Idaho. This applies to commercial real estate for one single transaction.

MOTION: **Rep. Thompson** made a motion to introduce **RS 24882**. **Motion carried by voice vote.**

Dean Cameron, Director, Department of Insurance, addressed the three RS's he is bringing before the committee. He said all three pieces of legislation are required for the Department to maintain their accreditation which is a system developed by the National Association of Insurance Commissioners to assure standards of regulation are met. Benefits of accreditation are (1) Other states know that an Idaho company wanting to sell their products in their state has been properly examined and held to appropriate standards (2) Idaho insurance companies do not have to be re-examined in every state they wish to sell products. This saves insurance carriers revenue, which saves consumers money.

RS 24888: **Dean Cameron**, Director, Department of Insurance, presented **RS 24888**. He stated this act is called Own Risk Solvency Assessment or ORSA. This proposed legislation must be passed by January, 2018, to maintain accreditation. It requires an insurance company to assess any risks they might be facing or could face, then report them annually to the DOI. There is a small company exemption for companies who do not exceed \$500 million.

MOTION: **Rep. Kloc** made a motion to introduce **RS 24888**. **Motion carried by voice vote.**

RS 24924: **Dean Cameron**, Director, Department of Insurance, presented **RS 24924**. Director Cameron stated, currently insurance companies purchase reinsurance to protect themselves. If they purchase reinsurance from a foreign non U.S. insurance, the foreign entity requires 100% collateral be deposited in a U.S. institution. Reinsurers are evaluated based on their financial strength, claims payment history, and qualified jurisdiction. This proposed legislation delineates conditions and situations in which a lower collateral would be required.

MOTION: **Rep. Thompson** made a motion to introduce **RS 24924**. **Motion carried by voice vote.**

RS 24929: **Dean Cameron**, Director, Department of Insurance, presented **RS 24929** also called Corporate Governance. The proposed legislation requires an insurance company to confidentially disclose their corporate structure, corporate relationships and internal governing procedures. At the request of insurance companies a provision has been added for a summary filing in subsequent years to reduce redundancy. The information is held confidentially and proprietary.

MOTION: **Rep. Troy** made a motion to introduce **RS 24929**. **Motion carried by voice vote.**

Chairman Barbieri stated the committee would now finish voting on the Troy Subcommittee Rules.

MOTION: **Rep. Troy** made a motion to approve **Docket No. 07-1001-1601**. **Rep. Crane** spoke in opposition to the motion. **Motion failed by voice vote.**

MOTION: **Rep. Troy** made a motion to approve **Docket No. 24-1801-1601**. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:28 p.m.

Representative Barbieri
Chair

Joyce McKenzie
Secretary