

MINUTES
HOUSE BUSINESS COMMITTEE

DATE: Wednesday, March 01, 2017

TIME: 1:30 p.m. or Upon Afternoon Adjournment

PLACE: Room EW41

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

**ABSENT/
EXCUSED:** Representative(s) Monks

GUESTS: Russell Westerberg, Enterprise; Evan Mortimer, Craig Swapp & Assoc.; Argia Phillips, Batt Associates; Roger Batt, Western Equipment Dealers; Suzanne Budge, SBS Assoc.; Mike Kane, ICRMP & PCI; Jeff Neumeyer, United Heritage; Randy Pipal, IIABI; Phil Barber, Amer. Ins. Assoc.; Woody Richards, Ins. Cos.

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

MOTION: **Rep. Kloc** made a motion to approve the minutes of the February 27, 2017, meeting. **Motion carried by voice vote.**

S 1008: **Keith Simila**, Executive Director, Board of Professional Engineers and Professional Land Surveyors, presented **S 1008**. The bill clarifies ambiguity and states basis of bearing, an angle relative to true north, must be between two existing physical monuments. In answer to questions, Mr. Simila said there was a minor incident where a surveyor used a missing monument for the basis of bearing.

MOTION: **Rep. Clow** made a motion to send **S 1008** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Armstrong** will sponsor the bill on the floor.

RS 25427: **Rep. DeMordaunt** presented **RS 25427**. The proposed legislation establishes provisions regarding notice of lapse or termination of an individual life insurance policy. Included is the option for the policy holder to designate an individual, in addition to themselves, to receive notification by mail 14 days prior to termination of the policy.

MOTION: **Rep. Palmer** made a motion to introduce **RS 25427**. **Motion carried by voice vote.**

H 205: **Rep. Blanksma** presented **H 205**. This bill changes recording fees, for certain types of instruments not exceeding 30 pages, to a flat fee rather than a fee per page recorded. The bill simplifies the real estate settlement process for title companies, realtors, lenders and consumers by providing accurate recording and closing costs for consumers.

MOTION: **Rep. Thompson** made a motion to send **H 205** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Blanksma** will sponsor the bill on the floor.

Roger Batt, Western Equipment Dealers, introduced **Eric Wareham** and requested Mr. Wareham present **H 135**. **Mr. Batt** will present the amendment to the bill.

- H 135:** **Eric Wareham**, Government Affairs Director, Western Equipment Dealers, presented **H 135**. The bill prohibits farm equipment dealers from substantially changing an equipment dealer's competitive circumstances without good cause. It puts dealers on a more level playing field with manufacturers and gives the dealers greater bargaining strength.
- RS 25112a:** **Roger Batt** presented **RS 25112a**, an amendment to **H 135**. The proposed amendment adds a new definition of Competitive Circumstances called Change in Competitive Circumstances. Mr. Batt respectfully requested the bill be sent to General Orders.
- Suzanne Budge** spoke **in opposition** to the bill on behalf of John Deere.
- MOTION:** **Rep. Manwaring** made a motion to send **H 135** to General Orders with amendments attached. **Motion carried by voice vote.** **Rep. Manwaring** will sponsor the bill on the floor. **Rep. Crane** said he would support the motion while reserving the right to vote **NAY** on the floor.
- H 163:** **Bill Litster**, Idaho Public Policy Institute, presented **H 163**. Mr. Litster stated Idaho drivers routinely purchase optional "backup" insurance. Policy holders expect their backup insurance to cover any shortfall of unpaid medical expenses in the event the insurance of the careless driver runs out. He went on to say the current practice of insurance companies is to insert a little-understood "offsetting" clause. This technicality results in up to the entire face amount of the injured driver's backup insurance being "offset" (reduced) by the dollar amount paid by the policy of the driver at fault. With this legislation, under insurance will be defined as "excess" and make all of a consumer's backup insurance available in the event of an accident.
- Speaking **in opposition** to the bill were **Mike Kane**, Property and Casualty Insurance of America, Idaho Counties Risk Management Program, Liberty Insurance; **Jeff Neumeyer**, Legal Counsel, United Heritage Insurance; **Randy Pipal**, Insurance agent representing IABI; **Phil Barber**, American Insurance Association; **Woody Richards**, Farm Bureau Mutual Insurance, Farmers; **Julie Hart**, Enterprise Car Rental. In response to committee questions, it was stated insurance agents offer a bulletin detailing the requirements for under insured motorist coverage. They educate their clients relative to their policy and what it covers. There is no need for a retooling of the insurance industry when the current system is clear. The committee was urged to respect the traditional "promise to pay". If you force people to buy what they can't afford, they may not buy at all.
- Evan Mortimer**, Craig Swapp Associates, spoke **in support** of the bill. Mr. Mortimer stated, as an attorney, he witnesses the victim experience first hand. He often has to negotiate with medical providers to lower the cost of their services when there is not enough insurance money to pay all of the bills as a result of an accident.
- MOTION:** **Rep. Anderst** made a motion to **HOLD H 163** in committee.
- SUBSTITUTE MOTION:** **Rep. Thompson** made a substitute motion to send **H 163** to the floor with a **DO PASS** recommendation.
- VOTE ON SUBSTITUTE MOTION:** Roll call vote was requested. **Motion failed by a vote of 2 AYE, 15 NAY, 1 Absent/Excused.** **Voting in favor** of the motion: **Reps. Thompson, Armstrong.** **Voting in opposition** to the motion: **Reps. Clow, Collins, Crane, Palmer, Hixon, Anderst, Dixon, Troy, Stevenson, DeMordaunt, Manwaring, Smith, Kloc, Toone and Chairman Barbieri.** **Rep. Monks was absent/excused.**
- VOTE ON ORIGINAL MOTION:** **Chairman Barbieri** called for a vote on the original motion to **HOLD H 163** in committee. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee the meeting adjourned at 4:00 p.m.

Representative Barbieri
Chair

Joyce McKenzie
Secretary