

MINUTES
HOUSE BUSINESS COMMITTEE

DATE: Monday, January 29, 2018

TIME: 1:30 P.M.

PLACE: Room EW41

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

**ABSENT/
EXCUSED:** None

GUESTS: Roger Batt, Western Equipment Dealers; John Mackey, Jeff Neumeyer, United Heritage Group; Gary Barnes, Patrick Grace, Arlan Smith, Warren Wing, DBS; Tana Cory, Joan Callahan, Occupational Licenses; MiChell Bird, Mike Gamblin, Scott Calhoun, Real Estate Commission; Jason Blais, City of Boise; Teri Ottens, ID Association of Building Officials; Woody Richards, Insurance Co's; Kent Day, Liberty Mutual Insurance; Brad Hunt, O.A.R.C.

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

MOTION: **Rep. Toone** made a motion to approve the minutes of the January 11, 2018, meeting. **Motion carried by voice vote.**

RS 25813: **John Mackey** presented **RS 25813**. This proposed legislation is intended to bring Idaho Code into closer alignment with the majority of states in the calculation for determining whether a dividend or distribution by a domestic insurer within an insurance holding company system is extraordinary or nonextraordinary.

MOTION: **Rep. Palmer** made a motion to introduce **RS 25813**. **Motion carried by voice vote.**

RS 25766: **Roger Batt**, Western Equipment Dealers Association, presented **RS 25766**. The purpose of this proposed legislation is to provide clarification of legislative intent by prohibiting equipment suppliers from substantially changing the equipment dealer's competitive circumstances without good cause. The legislation also adds clarity to ensure persons understand that the terms of a dealer agreement may not impact the determination of whether there has been a substantial change in the dealer's competitive circumstances.

MOTION: **Rep. Clow** made a motion to introduce **RS 25766**. **Motion carried by voice vote.**

RS 25683: **MiChell Bird**, Executive Director of the Real Estate Commission, presented **RS 25683**. The proposed legislation requires all sales associates to provide copies of signed real estate transaction documents to their broker by the end of the next business day after receipt. This benefits consumers by increasing broker supervision of their licensees' activities and reduces broker liability due to the acts of the sales associates. In answer to committee questions, Ms. Bird stated the commission is seeking more clarity to the current law rather than more regulation. Sales associates will be required to deliver all contracts, including representation agreements, compensation agreements, and transaction documents to their designated broker.

- MOTION:** **Rep. Thompson** made a motion to introduce **RS 25683**. Roll call vote was requested. **Motion carried by a vote of 9 AYE and 8 NAY. Voting in favor of the motion: Reps. Barbieri, Collins, Thompson, Troy, DeMordaunt, Wagoner, Smith, Chilcote, Toone. Voting in opposition to the motion: Reps. Clow, Crane, Palmer, Monks, Dixon, Stevenson, Armstrong, Manwaring,**
- RS 25697:** **MiChell Bird** of the Real Estate Commission, presented **RS 25697**. The proposed legislation amends the post license education requirement by changing the time frame for completion of the post license education from within the first two years to within the first six months of licensure. It also amends the continuing education requirement for brokers to include an additional broker-specific course each year.
- MOTION:** **Rep. Clow** made a motion to introduce **RS 25697. Motion carried by voice vote.**
- RS 25687:** **Tana Cory**, Director, Bureau of Occupational Licenses, presented **RS 25687**.
Director Cory deferred to **Joan Calahan**, legal counsel for the Bureau of Occupational Licenses. She said the proposed legislation modernizes and reorders provisions of the Idaho Code so it is better organized and easier to understand. The proposal provides legislative intent and organization in a manner consistent with the way legislation for regulated professions and occupations is written today. In answer to committee questions, Ms. Calahan stated the proposed legislation does not expand the scope of practice or the honorarium. The code has not been updated since 2001.
- MOTION:** **Rep. Thompson** made a motion to introduce **RS 25687. Motion carried by voice vote.**
- RS 25652:** **Tana Cory**, Bureau of Occupational Licenses presented **RS 25652**.
Director Cory deferred to **Scott Calhoun** of the Real Estate Appraiser Board. Mr. Calhoun stated the Real Estate Appraiser Board is proposing a change to its current law to reflect the language used in Appraisal Management Companies (AMC) legislation. The change will provide consistency between AMC appraisers and non-AMC appraisers in Idaho pertaining to appraisal reviews.
- MOTION:** **Rep. Smith** made a motion to introduce **RS 25652. Motion carried by voice vote.**
- RS 25860:** **Rep. Nate** presented **RS 25860**. The proposed legislation will provide an exception to Idaho's minimum wage law. Currently children and family members working on a family farm are excepted from minimum wage regulations. Rep. Nate said this legislation will provide a similar exception for children and family members working in a family business.
- MOTION:** **Rep. Crane** made a motion to introduce **RS 25860** with the following changes: on page one line 20 strike the words "or extended". **Motion carried by voice vote. Reps. Toone and Chilcote** requested they be recorded as voting **NAY**.
Chairman Barbieri turned the gavel over to **Vice Chairman Clow** for review of Administrative Rules.
Chairman Clow called for the report of the Manwaring Subcommittee on Administrative Rules.
Rep. Manwaring noted the Senate rejected **Docket No. 07-0401-1701** from the Division of Building safety, which was approved by the subcommittee.
- MOTION:** **Rep. Collins** made a motion to send **Docket No. 07-0401-1701** to full committee without recommendation for consideration at a later date. **Motion carried by voice vote.**
- MOTION:** **Rep. Dixon** made a motion to accept the report of the Manwaring Subcommittee on Administrative Rules. **Motion carried by voice vote.**

MOTION: **Rep. Collins** made a motion for the subcommittee to approve the January 17, 2018, minutes of the Manwaring Subcommittee on Administrative Rules. **Motion carried by voice vote.**

DOCKET NO. 07-0301-1701: **Arlan Smith**, Division of Building Safety, presented **Docket No. 07-0301-1701**. This docket was referred by the Manwaring Subcommittee to the full committee without recommendation for further consideration. Mr. Smith stated the construction of tiny homes in Idaho has significantly increased and there is a need to establish specific residential code provisions to properly address some of the unique characteristics of tiny homes. The tiny home provisions contained in this rule would be added as an appendix to code currently being used. It may or may not be adopted by building code jurisdictions to address the installation of such homes. In addition, this rule adds an amendment that will place a limit on the required length of reinforcement lap splices for allowable stress design of masonry.

Jason Blais, City of Boise, testified **in support** of the rule, saying this rule is less restrictive to the city and gives more flexibility.

MOTION: **Rep. Palmer** made a motion to reject **Docket No. 07-0301-1701**.

Rep. Manwaring spoke **in support** of the motion saying there are two possible interpretations in the appendix and for that reason the rule should be rejected.

Speaking **in opposition** to the motion were **Rep. Wagoner** and **Rep. Smith**.

ROLL CALL VOTE: Roll call vote was requested. **Motion carried by a vote of 10 AYE and 6 NAY.** **Voting in favor** of the motion: **Reps. Collins, Crane, Palmer, Thompson, Monks, Dixon, Stevenson, Armstrong, DeMordaunt, Manwaring.** **Voting in opposition** to the motion: **Reps. Barbieri, Clow, Wagoner, Smith, Chilcote, Toone.** **Rep. Troy was absent/excused.**

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

ADJOURN: There being no further business to come before the committee the meeting adjourned at 3:01 p.m.

Representative Barbieri
Chair

Joyce McKenzie
Secretary