

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Friday, March 16, 2018
TIME: 8:00 A.M.
PLACE: Room WW55
MEMBERS PRESENT: Chairman Siddoway, Vice Chairman Hagedorn, Senators Hill, Winder, Lodge, Vick, Anthon, Stennett, and Buckner-Webb
ABSENT/ EXCUSED: None
NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.
CONVENED: **Chairman Siddoway** called the Senate State Affairs Committee (Committee) to order at 8:01 a.m. with a quorum present.

HCR 50 **STATING FINDINGS OF THE LEGISLATURE TO RECOGNIZE PORNOGRAPHY as a public health hazard and ensure such materials are not accessible from state and local government agencies internet connections.**

Representative Lance Clow, District 24, stated **HCR 50** was intended to make a statement from the Legislature that pornography and obscene materials have become a public health problem within our communities, state, and nation. He explained how this issue affects society. Not only does it affect the immediate family through destroyed relationships but there is a cost to society at large. There are costs associated with healthcare and family finances.

This epidemic is driven by easy access to pornographic materials. It is available through smartphones, tablets, computers and any public facilities that do not filter Wi-Fi. **Representative Clow** stated there is no fiscal impact connected with this resolution – it is a statement to our citizens, businesses, government, and State to take action and block access to obscene material. He asked the Committee to send this bill to the floor with a do pass recommendation.

Chairman Siddoway thanked Representative Clow and stated there was one person signed up to testify.

Dr. Craig Cobia, PhD, said he represents Citizens for Decency, an Idaho non-profit organization devoted to empowering people to take a stand against pornography. He relayed statistics including how many hours people watched a pornographic web site; what age a child was exposed to such material; the percentage of young adults who watch pornography on the internet; what percent of men admit to the same; what percentage is watched on a mobile phone; and who and how many watch explicit images.

He asserted ramifications of this activity include 33 percent of divorce litigation is caused or influenced by online affairs and 30 percent of cyber affairs escalate from e-mail to phone calls to personal contact. Children are more likely to become disengaged from families, they have lower academic achievement ratings, and they exhibit behavioral and psychological problems. Much of the increase comes from the use of portable electronic devices. **Dr. Cobia** told of some personal experiences to demonstrate the seriousness of this issue and asked the Committee to recommend passage of **HCR 50**.

Senator Hill expressed appreciation to Dr. Cobia for the many years of work he has contributed on these issues, as well as his work in organizing the Citizens for Decency. Dr. Cobia has made presentations at national conferences on several occasions and is very committed to the people he serves.

MOTION: **Senator Hill** moved to send **HCR 50** to the floor with a **do pass** recommendation. **Senator Lodge** seconded the motion. The motion carried by **voice vote**.

S 1377 - INFORMATIONAL PRESENTATION: **RELATING TO CAMPAIGN FINANCE as a result of the interim Campaign Finance Reform Legislative Work Group for the purpose of increasing transparency in campaign finance statewide.**

Phil McGrane, Chief Deputy Clerk, Ada County Clerk's Office, said he would be joined by Secretary of State, Lawrence Denney, to present information regarding campaign finance. **Mr. McGrane** explained it is not the intention to move **S 1377** forward in this Legislative Session, but to express the need for transparency in campaign finance statewide. This issue is so important an interim committee has again been established to address campaign finance.

Mr. McGrane stated he would focus on the problem and why it needs to be addressed; he stated varying opinions exist. There was an attempt to bring a bill forward earlier in the 2018 Legislative Session that basically repealed and replaced every section of the Sunshine Law which make it very difficult to understand. **S 1377** can readily be followed and will ease the process. The Secretary of State's Office plays a significant role in overseeing and enforcing the campaign finance laws. The proposed legislation would provide a greater role in the enforcement process.

The purpose of this bill is not derived from bad people, it is to build public trust – just like the Sunshine Law is expected to build public trust. The Sunshine Law shows there are good people doing good things, it changes the nature of the conversation.

Mr. McGrane stated there are two things to consider when rewriting campaign finance laws:

1. simplification of the laws to make it easier to comply. Doing so would save people from innocent mistakes; and
2. providing a simple method to access the laws. The resulting data would be invaluable.

Idaho currently has low scores regarding transparency. **Mr. McGrane** asserted this is not because of malfeasance, but because information is not easily accessible. **Mr. McGrane** explained how to access information in detail. Some of the information resides with the Secretary of State. However, there are 79 locations in the State where campaign finance reports are physically filed. The Legislative branch receives a great deal of attention, but there is also money and interest at the local levels. The Ada County Clerk's Office compiled data to show what is possible.

Mr. McGrane navigated through the data they compiled to provide an example of what could be available. See the two sites listed on Attachment 1.

This data expands reporting requirements for all elections: special elections, recall elections, petition circulation, and more. It all should be reported to the Secretary of State. Secretary Denney has already taken major steps with his reappropriation request, to start furthering the effort to bring all information to one place so that information can be shared.

Lawrence Denney, Secretary of State, stated he represents the people of Idaho as the Secretary of State (SOS). **Secretary Denney** challenged anyone to open the small Sunshine Law book and not have a question about what it means within the first three pages. He stated his desire to have this manual and process simplified for the following reasons: 1) it would not require a call to the SOS to find out what it means, and 2.) when the SOS gives an answer, it would be the same no matter who within the SOS office answered the question.

The Sunshine Law should be simple; if someone is expending money to influence the outcome of an election, it should be reported. The disclosure manual that interprets the Sunshine Law book is very large – over two inches thick. He stated this campaign finance bill still needs improvement. There is nothing connected to the lobbyist activities or how to deal with non-profits – non-profits are becoming a bigger portion of money coming into campaigns.

Secretary Denney referred to Mr. McGrane's comments about the upgrade on campaign finance and lobbyist reporting and election management. When the SOS's office receives appropriations, interviews are scheduled with three different vendors in April. The objective of the bill is to get the best features available that meet budget requirements to allow centralized campaign finance reporting. This change would centralize information of all races in the State in a searchable data base. The SOS will be the repository for the data, but will not regulate the process of counties, cities, and taxing districts. SOS will continue to police the Statewide and legislative races and the reporting by lobbyists.

This bill would also put special local elections, such as recall elections, under the Sunshine Law. It would increase the frequency of reporting during the election cycle. **Secretary Denney** explained in detail the timeline, process, enforcement, and penalties (Attachment 2).

Secretary Denney commented that money is speech. However, the courts are clear that disclosure is required; that is the intent of the bill that will be presented in 2019.

Senator Stennett asked Mr. McGrane what were the highest contributions for Republicans and did they have contributions from outside Idaho? **Mr. McGrane** presented the candidates side; the largest contributor for candidates was the Sugar Beet Growers Political Action Committee.

Fred Birnbaum, Idaho Freedom Foundation (IFF), stated the IFF supports transparency and the software and data that has been presented has value to the citizens of Idaho. Consolidating and reporting the information is a much needed improvement. **Mr. Birnbaum** explained there were a couple of areas that were problematic:

1. The bill broadens the definition of electioneering communication to include any paid communication advertised on the Internet or through social media, but the bill makes no effort to define social media.
2. The measure removes the existing 30-60 day window prior to primary and general elections during which electioneering communication requirements apply. This expands that reporting to year around, rather than regulating speech close to the next election. It requires organizations to continually run disclaimers and disclose the names and addresses of their supporters who give as little as \$50 to an organization; that requirement could potentially be challenged.

Mr. Birnbaum explained the above items in more detail but was of the opinion that the bill could be improved.

Chairman Siddoway commented about the dollar limitations on different categories of offices is, in his opinion, blatantly discriminatory. There is a long history of limiting campaign contributions to a certain amount. If the limit is going to be \$5,000 at the state level, it ought to be limited to \$5,000 no matter what the political office. **Chairman Siddoway** stated his comment is not meant to criticize, but as a consideration.

ADJOURNED: There being no further business, **Chairman Siddoway** adjourned the meeting at 8:55 a.m.

Senator Hagedorn
Vice Chair

Twyla Melton
Secretary