

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, January 16, 2019

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Harris, Vice Chairman Armstrong, Representatives Crane, Palmer, Barbieri, Holtzclaw, Monks, Zito, Scott, Andrus, Hartgen, Young, Smith, Gannon, Green(18)

**ABSENT/  
EXCUSED:** None

**GUESTS:** Jeff Anderson, Becky Schroede, Ambu French, Idaho State Lottery Commission; Michael Faison, Idaho Commission on the Arts; Sarah Hilderbrand, Valerie Bollinger, Department of Purchasing; Dennis Stevenson, Rules Coordinator

**Chairman Harris** called the meeting to order at 9:00 AM.

**Chairman Harris** turned the gavel over to **Vice Chairman Armstrong**.

**DOCKET NO:** **Michael Faison**, Executive Director, Idaho Commission on the Arts, presented  
**40-0101-1801:** **Docket No. 40-0101-1801**, Rules of the Idaho Commission on the Arts. He stated the rule would expand access of the current fellowship grant category to folk and traditional artists and remove a current funding restriction on college and university grant applicants. The remaining changes are housekeeping, updates and clarifications in language, terminology, and procedures. There is no fiscal impact.

In response to committee questions regarding the necessity of the rule change, **Mr. Faison** answered traditional artists are reviewed against contemporary artists and often don't get awarded grants because of the nature of the review process. He said it is important for the commission to have clarity within the rules. The commission does not define panels in the rules, but follows national standards.

In response to committee questions, **Mr. Faison** answered the commission follows community standards when determining grant funding. The commission has not had any controversy with the programs or individuals they have awarded grants to.

In response to committee questions, **Mr. Faison**, answered the writers in residence program has been reduced from a three year commitment to a two year commitment. The number of public readings was adjusted for the two year process and the emphasis on small towns has not changed. The awards given will remain the same on an annual basis and are approximately \$4,000 per year plus travel expenses.

In response to committee questions, **Mr. Faison** answered the standard breakdown of funding is 48%, State funds and 52%, National Endowment for the Arts. The majority of the grants are awarded to public programs in the arts, which amounts to approximately \$600,000 annually. These programs are usually run by not-for-profit organizations all throughout the state of Idaho. The annual awards to college and universities are quite small.

In response to committee questions regarding section 403, **Mr. Faison** answered the reason for changing the language of the section is to encourage honesty when it comes to reporting fiscal issues. By making the language more flexible, the commission would be able to work with the grant recipients in a more productive way.

**ORIGINAL MOTION:** **Rep. Smith** made a motion to approve **Docket No. 40-0101-1801**.

**SUBSTITUTE MOTION:** **Rep. Barbieri** made a substitute motion to approve **Docket No. 40-0101-1801** with the exception of section 400, subsection 04.

**AMENDED SUBSTITUTE MOTION:** **Rep. Monks** made an amended substitute motion to approve **Docket No. 40-0101-1801** with the exception of section 400, subsection 04 and section 403, subsection 01.f.

**Rep. Gannon** spoke to the amended substitute motion, specifically to the strikeout of section 403, subsection 01.f, questioning whether the rule needs to stay in place because the commission might feel micromanaged.

**Rep. Monks** responded by stating that because the commission has been so successful, the rule should stay as is.

**VOTE ON AMENDED SUBSTITUTE MOTION:** **Vice Chairman Armstrong** called for a vote on the amended substitute motion to approve **Docket No. 40-0101-1801** with exception of section 400, subsection 04 and section 403, subsection 01.f. **Motion carried by voice vote. Reps. Smith, Gannon, and Green(18)** requested to be recorded as voting **NAY**.

**DOCKET NO. 52-0103-1801:** **Jeff Anderson**, Executive Director, Idaho State Lottery Commission presented **Docket No. 52-0103-1801**, Rules Governing Operations of the Idaho State Lottery. The rule relates to procedures for balancing the central gaming and internal control systems following a draw for games. With technological advancements, draw managers will no longer be necessary and that is the substance of the rule change. There is no negative fiscal impact.

In response to committee questions regarding specific wording of the rules. **Mr. Anderson** answered the language in certain sections of the rules is obsolete.

In response to committee questions regarding fiscal impact, **Mr. Anderson** answered there will be no additional expense and the lottery will save about \$21,000 per year because there will no longer be a need for temporary draw managers.

**MOTION:** **Rep. Gannon** made a motion to approve **Docket No. 52-0103-1801**. **Motion carried by voice vote.**

**DOCKET NO. 38-0501-1801:** **Sarah Hilderbrand**, Administrator, Division of Purchasing, presented **Docket No. 38-0501-1801**, Rules of the Division of Purchasing. Ms. Hilderbrand presented on the background of the Division of Purchasing. **Rep. Harris** suggested the committee wait to discuss the rules until the following day due to time constraint.

In response to committee questions, **Ms. Hilderbrand** answered the reason for a three year delay in developing a web-based training was due to a combination of factors including the slow development of technology and the process of getting a training specialist for the project.

**Vice Chairman Armstrong** returned the gavel to **Chairman Harris**.

**ADJOURN:** There being no further business to come before the meeting, the meeting adjourned at 10:16 AM.

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Representative Armstrong  
Chair

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Julia Grief  
Secretary