

MINUTES
SENATE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Tuesday, March 19, 2019

TIME: 1:00 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Patrick, Vice Chairman Agenbroad, Senators Martin, Lakey, Guthrie, Thayn, Souza, Ward-Engelking, and Burgoyne

**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 Patrick** called the meeting of the Senate Commerce and Human Resources Committee (Committee) to order at 1:03 p.m.

H 248 **Relating to Occupational Licensing Reform.** **Senator Lakey** reported this legislation, relating to occupational licensing reform, will improve access, mobility, and portability to licensed occupations for military families and veterans by recognizing applicable military experience, expediting applications, and endorsement of current licenses held in other states, districts, or territories. This means if the veteran or family member has a license from another state, the bill will establish a procedure to grant a license in Idaho. This is the first step to help veterans and their family members to expedite the process of licensure and remove barriers to entry.

Senator Lakey indicated there is no fiscal impact to the General Fund or local governments because this is already in the purview of each regulatory entity.

TESTIMONY: **Rod Monasterio**, President, Mountain Home Military Affairs, testified in support of this bill. He stated this bill will protect and preserve Mountain Home Air Force Base.

Alain Isaac, President, Mountain Home Chamber of Commerce, testified in support of this bill. She noted Mountain Home Air Force Base has an economic impact of nearly \$1 billion on the community and reciprocal licensing is one of the criteria.

Gary Saylor, Idaho Defense Alliance and retired Major General and previous Adjunct General, testified in support of this bill and advocated for retired military and their spouses. Eliminating or mitigating barriers will improve the quality of life for military families and ease the stress when transition of transferring duty stations with consideration for long-term career implications. Expedited licensure will make a difference for those who elect to leave the service. Choosing where to live is often influenced by many factors such as family, quality of life, education, and job opportunities. He stated this bill provides an opportunity for those who leave the service to stay in Idaho.

Bill Rickey, State of Idaho Military Liaison, Mountain Home Air Force Base, testified in support of this bill.

MOTION: **Senator Thayne** moved to send **H 248** to the floor with a **do pass** recommendation. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Guthrie** moved to approve the Minutes of March 7, 2019. **Senator Burgoyne** pointed out a correction at the bottom of page 1 and stated he thought the 39(H) disclosure should be reworded as "appropriate under the rule" according to Senate rules. **Senator Guthrie** restated his motion to include the correction. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

Senator Lakey moved to approve the Minutes of March 12, 2019. **Vice Chairman Agenbroad** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL VOTE: **Committee Vote of the Gubernatorial Reappointment of Dean Cameron, Director, Idaho Department of Insurance (IDOI).**

MOTION: **Senator Martin** moved to send the Gubernatorial reappointment of Dean Cameron as the Director of the IDOI to the floor with the recommendation that he be confirmed by the Senate. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**. Senator Winder will carry the appointment on the floor.

GUBERNATORIAL VOTE: **Committee Vote of the Gubernatorial Appointment of Chris Jensen, Administrator, Idaho Division of Building Safety (IDBS).**

MOTION: **Senator Thayne** moved to send the Gubernatorial appointment of Chris Jensen as the Administrator of the IDBS to the floor with the recommendation that he be confirmed by the Senate. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**. Senator Bair will carry the appointment on the floor.

GUBERNATORIAL VOTE: **Committee Vote of the Gubernatorial Appointment of Bryan Mooney, Director, Idaho Department of Administration (IDOA).**

MOTION: **Senator Martin** moved to send the Gubernatorial appointment of Bryan Mooney as the Director of the IDOA to the floor with the recommendation that he be confirmed by the Senate. **Vice Chairman Agenbroad** seconded the motion. **Senator Martin** complimented Mr. Mooney for the positive movement in the Idaho Purchasing Department and the work on the Chinden Complex. The motion carried by **voice vote**. Senator Ward-Engelking will carry the appointment on the floor.

GUBERNATORIAL APPOINTMENT HEARING & VOTE: **Committee Consideration of the Gubernatorial appointment of Thomas Kealey, Director, Idaho Department of Commerce (IDOC),** term commencing January 7, 2019 and serving at the pleasure of the Governor. **Mr. Kealey** provided a brief overview of his background. He reported he has traveled to different parts of Idaho for his initial outreach visit which have been informative and rewarding. He has collaborated with different groups, promoted jobs, and encouraged tourism. **Mr. Kealey** remarked Idaho has so much potential. He noted with the rebirth of the nuclear industry in the near term installation and operation of small modular reactors in Idaho, thousands of new jobs and billions of dollars of investment will have a tremendous impact for many years to come. The IDOC will be a good partner and assist communities with this projected growth.

DISCUSSION: **Senator Souza** queried if there was any part of Mr. Kealey's experience in the past that has prepared him for this job. **Mr. Kealey** responded that his consulting background has helped him with listening and learning.

Senator Burgoyne inquired what the challenges have been for the Idaho economy and what role the IDOC play, to meet those challenges. **Mr. Kealey** stated there is a tight labor and housing market. On the horizon, the IDOC is looking at high-speed internet, which is a challenge with positive results. The other challenge for the IDOC is helping local business people expand.

Senator Burgoyne inquired about access to capital. **Mr. Kealey** reported there is a tremendous amount of capital coming into the state, especially with the food processing industry. He noted communities are looking for data centers and that capital formation is important.

Senator Burgoyne queried how Mr. Kealey saw the role of the IDOC and the State of Idaho with regards to a central internet service. **Mr. Kealey** responded by saying he is having another meeting with the Governor's office to examine some of the different options and scenarios to resolve the issues of how to increase speeds, lower costs, and broaden the reach.

Senator Martin remarked he has always been curious about advertising for travel to Idaho and tourism dollars. He queried if it was appropriate to entice Idahoans to stay in Idaho to vacation. **Mr. Kealey** noted most of the IDOC money is spent on external advertising to attract people to come visit or to spend money in Idaho. **Senator Souza** commented that internal tourism is great.

MOTION: **Senator Souza** moved to send the Gubernatorial appointment of Thomas Kealey as the Director of the IDOC to the floor with the recommendation that he be confirmed by the Senate. **Senator Martin** seconded the motion. The motion carried by **voice vote**. Senator Ward-Engelking will carry the appointment on the floor.

DISCUSSION: **Senator Souza** commented she had met with Mr. Kealey when exploring the concept of a V-Tech high school with her constituents and he was most helpful. She was impressed by his ability to listen, absorb what was being said, and share his background that was appropriate to the occasion.

VOICE VOTE: The motion carried by **voice vote**. Senator Ward-Engelking will carry the appointment on the floor.

S 1195 **Relating to Collection Agencies.** **Senator Burgoyne** reported this legislation will amend and clarify Idaho Code § 26-2229A to limit attorney fee and litigation cost recoveries from a debtor by a collection agency to those which are in the case of attorney fees reasonable, and in the case of litigation costs, prescribed by court rule. He noted this legislation will not increase existing or future appropriations or decrease revenues by the State or units of local government because it only limits attorney fee and litigation cost recoveries by collection agencies.

MOTION: **Senator Ward-Engelking** moved to send **S 1195** to the floor with a **do pass** recommendation. **Senator Thayne** seconded the motion. The motion carried by **voice vote**.

H 149

Relating to Self-Funded Health Care Plans. Representative Furniss reported Idaho Code § 41-4003 requiring all government self-funded plans to register with the Director of the Idaho Department of Insurance (IDOI), will be amended to exempt the State. This allows the State to enter into a self-funding contract without an additional initial up-front surplus. All other government agencies must register within a five-year period except for counties and other federal agencies. Idaho Code § 41-4010 Reserves and Surplus (c) provides alternatives to limit the maximum liability in a registered self-funded plan using proper funding and insurance products. A waiver is given to the Director of the IDOI for plans that are properly funded without insurance. A technical correction was also made. The proposed alternative will not require a reserve for schools and cities.

Representative Furniss stated there is no fiscal impact to the General Fund since it enables, rather than obligates self-funding plans.

Representative Furniss asked that the bill be sent to the amending order.

DISCUSSION:

Senator Thayne reported this bill will fit into reducing medical costs because costs are driven by lifestyle choices. He commented if those inside a plan do make some lifestyle changes or are encouraged to make better lifestyle choices, then that plan benefits from those savings. In a larger plan, the organization may have some very healthy people, but if lifestyle changes are not made or encouraged, those savings are not captured by the organization. This bill is a good opportunity and the direction in which the State ought to go.

MOTION:

Senator Thayne moved to send **H 149** to the 14th Order of Business for possible amendment. **Senator Burgoyne** seconded the motion.

DISCUSSION:

Senator Lakey remarked he was in support of the bill. His main concern was with the requirements for counties. Chapter 40 needs a lot of work. This bill does not require the State to be self-funded.

TESTIMONY:

Seth Grigg, Idaho Association of Counties, testified in support of the bill with the proposed amendments.

VOICE VOTE ON MOTION:

The motion to send **H 149** to the floor with a **do pass** recommendation. The motion carried by **voice vote**.

HONORING OF PAGE:

Chairman Patrick honored Page Alex Knowlton. **Mr. Knowlton** shared what he learned while being a Senate Page. He stated he learned to prioritize his time, be more organized, and to do a resume. He also learned how to label envelopes for the end of session letters. He noted the Senators do care. He said this was a great experience and thanked Vice Chairman Agenbroad for talking to him about the Page program.

DISCUSSION:

Senator Burgoyne commented on the good presentation and he appreciated Mr. Knowlton's story about letters and other items. He stated no higher compliment could be given when referring to the Senators as normal people. He was not sure he had received such a wonderful compliment.

Senator Guthrie noted Mr. Knowlton validated Senator Burgoyne's comments. He inquired about Mr. Knowlton's future plans. **Mr. Knowlton** reported he planned on attending Boise State University upon graduation in December.

Vice Chairman Agenbroad thanked Mr. Knowlton for trusting in him and he is proud to have seen him grow as a person.

ADJOURNED:

There being no further business at this time, **Chairman Patrick** adjourned the meeting at 1:57 p.m.

Senator Patrick
Chair

Linda Kambeitz
Secretary