

MINUTES
SENATE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Tuesday, March 10, 2020

TIME: 1:00 P.M.

PLACE: Room WW54

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

ABSENT/ EXCUSED: Senator Souza

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 1:00 p.m.

MINUTES APPROVAL: **Senator Martin** moved to approve the Minutes of March 3, 2020. **Vice Chairman Agenbroad** seconded the motion. The motion carried by **voice vote**.

Senator Guthrie moved to approve the Minutes of March 5, 2020. **Senator Thayn** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL REAPPOINTMENT: **Committee Consideration of the Gubernatorial Reappointment of Terry Gestrin, State Insurance Fund Board (SIFB)** of Donnelly, Idaho, term commencing January 7, 2019 and expiring December 1, 2023. **Mr. Gestrin** gave a brief overview of his background and his years of service.

DISCUSSION: When asked by Chairman Patrick, **Mr. Gestrin** indicated he wanted to continue on the SIFB to promote steady, solid, and adequately funded premiums. He noted he found the job interesting.

MOTION: **Senator Thayn** moved to send the Gubernatorial reappointment of **Terry Gestrin** to the State Insurance Fund Board to the floor with the recommendation that he be confirmed by the Senate. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT: **Committee Consideration of the Gubernatorial Appointment of Keith Reynolds, Director, Idaho Department of Administration (IDOA)**, of Garden City, Idaho, term commencing February 12, 2020 and serving at the pleasure of the Governor. **Mr. Reynolds** gave an overview of his background and his job history. He described how he became involved with the IDOA. **Mr. Reynolds** noted he liked what he was doing at the IDOA, including working with personnel and lawmakers. He stated he was very grateful for the opportunity to be the Director and he wanted to build on success.

DISCUSSION: In response to a question by Senator Martin, **Mr. Reynolds** outlined the short-term and long-term plans for the IDOA. **Senator Lakey** and **Mr. Reynolds** discussed the long-term goal to become self-insured.

MOTION: **Senator Martin** moved to send the Gubernatorial reappointment of **Keith Reynolds** as Director of the Idaho Department of Administration 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**.

GUBERNATORIAL APPOINTMENT:

Committee Consideration of the Gubernatorial Appointment of Carolyn Lodge, Idaho Health Insurance Exchange Board (IHIEB), of Boise, Idaho, term commencing April 4, 2019 and expiring April 4, 2023. **Ms. Lodge** gave a brief overview of her background. She mentioned she was a co-owner of a local marketing agency and she would apply her experience as an IHIEB member.

MOTION:

Vice Chairman Agenbroad moved to send the Gubernatorial appointment of **Carolyn Lodge** to the Idaho Health Insurance Exchange Board to the floor with the recommendation that she be confirmed by the Senate. **Senator Thayne** seconded the motion. The motion carried by **voice vote**.

H 594

Relating to Leases. Representative Wagoner presented in the place of Representative Rubel. He outlined the provisions in the bill. He noted this legislation amends Idaho Code § 55-307, to require that for residential properties, landlords provide at least 30-days written notice if the landlord is raising rent or intends not to renew the lease. **Representative Wagoner** reported this legislation will have no impact on the General Fund or any county or other governmental fund, as it applies to private actors and does not require any outlay of public funds.

TESTIMONY:

Representative Rubel remarked after months of work there was widespread support for this bill. She stated there are too many landlords who have taken advantage of short notice to increase rent or to ask a tenant to vacate. She noted letters of support were from: 1.) the Idaho Apartment Association; 2.) the Idaho Rental Owners and Managers Association; 3.) Disability Rights, Idaho; 4.) Saint Alphonsus; 5.) United Way of Treasure Valley; 6.) Boise City/Ada County Housing Authorities; 7.) Idaho Primary Care Association; 8.) Idaho Voices for Children; 9.) American Association of Retired Persons (AARP) Idaho; and 9.) the Intermountain Fair Housing Council.

DISCUSSION:

Senator Guthrie and **Representative Rubel** discussed the definition of "written notice" and the consequences if a landlord did not comply. They also discussed how this bill puts the landlord on notice.

Senator Shank asked for an explanation of the 30-day limit because he said it is already difficult to find a place to rent within 30 days. **Representative Rubel** explained a compromise had to be reached with stakeholders and it was important to arrive at a consensus. Originally, a longer time limit was proposed.

MOTION:

Senator Ward-Engelking moved to send **H 594** to the floor with a **do pass** recommendation. **Vice Chairman Agenbroad** seconded the motion. The motion carried by **voice vote**.

PRESENTATION:

Presentation Relating to Broadband Efforts. Tom Kealey, Director, Idaho Department of Commerce (IDOC), gave a PowerPoint presentation (Attachment 1) relating to the IDOC outlining the powers, duties, and responsibilities. **Mr. Kealey** pointed out the many variables that influence commerce, but that the IDOC has been doing well receiving high marks on many measures. He noted the IDOC assists existing businesses in Idaho with more economic development and higher paying jobs. Smaller businesses and rural communities across Idaho are also assisted by receiving various federal matching grants at almost \$8 million per year.

Mr. Kealey reported the IDOC Business Attraction Team is aggressive with potential new leads across Idaho. He said the IDOC has only two incentive tools. He noted the Small Business Advantage incentive will sunset in 2020, but needs to pass a Senate committee for a 10-year extension. The Tax

Reimbursement Incentive (TRI) was new in fiscal year 2015.

Mr. Kealey described the State Trade Expansion Program (STEP) which actively assists Idaho companies with foreign trade and secures federal funds. The IDOC team covers the state for tourism along with regional economic professions. Tourism is Idaho's third largest industry and continues to grow rapidly.

Mr. Reynolds, Administrator, Business Development and Operations, IDOC, gave an update on block grants, the international trade group, supply chain issues, and the State Trade Expansion Program (Attachment 1).

DISCUSSION:

Vice Chairman Agenbroad asked why businesses leave the state. **Mr. Reynolds** stated businesses leave for a variety of reasons. Sometimes it is the supply chain or transportation, or for a personal reason. At times companies are acquired and have to move away.

Senator Shank noted Albertsons was talking about going public and asked what effect that would have on commerce. **Mr. Reynolds** stated he has had conversations with Albertsons in the past, but not on that issue.

Senator Guthrie and **Mr. Reynolds** discussed how to reconcile the growing population and how it is factored into the IDOC's program. **Mr. Reynolds** remarked the IDOC was trying to be responsible in identifying which companies would receive a grant.

Mr. Kealey pointed out to remain competitive and to grow, IDOC emphasizes innovation and research for a strong state economy. Growth opportunities are in traditional industries as well as new ones in energy, digital economy, and healthcare. He mentioned a new, robust nuclear industry is near term. Planning is underway across the state. High speed broadband service is a prerequisite for growth and sustainable for small and rural communities. A Broadband Task Force was established last year. The efforts to secure federal funding are important activities supported by the Legislature, Governor, and the IDOC.

Mr. Kealey stated growth in the state is strong and accommodating that growth is a challenge.

Vice Chairman Agenbroad remarked he was intrigued by the installation of data centers. He queried what role would data centers play in broadband efforts. **Mr. Kealey** noted data centers were located near a major trunk line with proximity to existing employment areas.

ADJOURNED:

There being no further business at this time, **Chairman Patrick** adjourned the meeting at 2:09 p.m.

Senator Patrick
Chair

Linda Kambeitz
Secretary