

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Wednesday, January 20, 2021

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairwoman Lodge, Vice Chairman Guthrie, Senators Winder, Harris, Lee, Heider, Stennett, and Burgoyne

ABSENT/ EXCUSED: Senator Anthon

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: **Chairwoman Lodge** called the Senate State Affairs Committee (Committee) to order at 8:00 a.m.

GUBERNATORIAL APPOINTMENTS: **The Gubernatorial Re-Appointment of Dennis Duehren** to the Idaho Bingo-Raffle Advisory Board (Board). **Mr. Duehren** shared information about his background and various organizations in which he is involved. He stated he had been on the Board for about ten years and pointed out its value as a positive fund-raising program. **Senator Lodge** asked what could be changed to make the Idaho lottery more successful. **Mr. Duehren** replied that a great deal of work had been put into revising code in order to streamline, clarify, and reduce bureaucracy. He expressed concern that after all that work, the legislation did not make it out of committee. **Chairwoman Lodge** indicated those rules were still being considered and may be completed this year.

Senator Harris asked if there were any challenges that existed with the Board. **Mr. Duehren** stated he saw no challenges except for finding volunteers to work at the various lotteries. He stated that the board members worked well together. **Mr. Duehren** noted that the number of meetings might be reduced as volunteers had to come to Boise from all over the State when the Board met. There are six Board members representing six districts as set forth in Idaho Code § 67-7704(1). **Chairwoman Lodge** suggested Zoom might help with that problem.

The Gubernatorial Re-Appointment of Patricia Perkins to the Treasurer's Investment Advisory Board (TIAB). **Ms. Perkins** stated she has served a year on the TIAB, and prior to that appointment had a career in banking and human resources.

Senator Lee asked Ms. Perkins what she had learned in the past year and what she perceived as challenges. **Ms. Perkins** responded that she would like to continue to learn more regarding the function of the TIAB. The investment is a very complicated function. She looks forward to becoming more comfortable in this position in order to be of more value to the TIAB.

Senator Burgoyne inquired if the purposes of the TIAB have changed. **Ms. Perkins** replied that the TIAB is serving its purpose well. It was very impressive to see the level of transparency, which is critical, in all functions of the Board. The purpose of the Board is to make sure they do the best job they can to manage the money for the citizens of Idaho.

Senator Stennett asked Ms. Perkins how she has applied her background to her work at the TIAB. **Ms. Perkins** explained that her experience has been very helpful in fulfilling her role. She commented that the situation created by

COVID-19 has allowed her to be more grounded with the TIAB members and the relationships to further the mission to focus on the greater business of the State.

The Gubernatorial Appointment of Reed Hansen to the Treasurer's Investment Advisory Board. **Mr. Hansen** gave an overview of his background in a variety of businesses and start-up companies. He stated he has served on the TIAB for six months, during which he has learned how the State's money is being managed.

Senator Stennett noted the variety of unrelated businesses in which Mr. Hansen has been involved. She inquired how his expertise in start-up businesses relates to the TIAB. **Mr. Hansen** replied that it had been a learning experience over the last six months but it continues to always be interesting to see the quality of the expertise in managing these funds.

Senator Burgoyne inquired how Mr. Hansen's experiences would relate to the work of the TIAB. **Mr. Hansen** identified problems and the effort taken to solve them, and he stated that his experiences as an entrepreneur set him apart from other members, giving him a unique perspective.

Chairwoman Lodge announced that voting on the gubernatorial appointments would be at the next scheduled meeting.

DISCUSSION:

Chairwoman Lodge welcomed Julie Ellsworth, Idaho State Treasurer. **Ms. Ellsworth** shared the 2020 Transparency Report (see Attachment A) including an investment chart used by the Treasurer's office to show how audits, receipts, and distributions are managed. She elaborated on the duties of the State Treasurer and how they interact with the State as a whole.

RS 28080

RELATING TO THE STATE HISTORICAL SOCIETY to clarify statutes and eliminate inactive provisions of the law. **Janet Gallimore**, Idaho State Historical Society (ISHS), explained that the ISHS preserves and promotes Idaho's history by overseeing the state museum, the state archives, the state historic preservation office, and historical sites. **Ms. Gallimore** informed the Committee that **RS 28080** adheres to the Governor's Red Tape Reduction Act. It repeals obsolete code and amends existing code for technical and clarification purposes as follows:

- repeals requirement for the exhibition of unclaimed property by the State Treasurer;
- corrects technical and typographical errors;
- removes the provision for certain revenue to be credited to the Permanent Building Fund; and
- corrects conflicts between state and federal code (see Attachment B).

Ms. Gallimore shared information regarding the organization and duties of the personnel.

MOTION:

Senator Harris moved to send **RS 28080** to print. **Senator Stennett** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL:

Chairwoman Lodge passed the gavel to Vice Chairman Guthrie.

DOCKET NO. 54-0201-2001

Pending Rules IDAPA 54, Rules Governing the College Savings Program. **Christie Stoll**, Executive Director of the Idaho College Savings Program (**ideal**), identified the members who serve on the board of **ideal**. **Ms. Stoll** provided the Committee members with links to the program's state code and to the securities disclosure statement (see Attachment C). She stated that **Docket No. 54-0201-2001** would repeal **ideal's** administrative rules chapter. She pointed out that the few existing rules are redundant as they exist in code. **Ms. Stoll** noted that the annual summary will be submitted to legislative leadership forthwith.

MOTION: **Senator Harris** moved to approve **Docket No. 54-0201-2001**. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 15-1000-2000F **Omnibus Pending Fee Rules IDAPA 15** Rules of the Idaho State Liquor Division. **Jeff Anderson**, Director, Idaho State Liquor Division (ISLD), explained that the review of the omnibus rules were in line with the Governor's Red Tape Reduction Act. He explained the focus of the review and identified the results as follows:

- reduced licensing and other regulatory burdens;
- eliminated redundancies and ensured administrative rules were in alignment with code;
- deleted 1,388 words and eliminated 3 pages of rules (see Attachment D).

Mr. Anderson noted that no changes were made to the fee rules, no new fees were added, and no fees were changed.

MOTION: **Senator Harris** moved to approve **Docket No. 15-1000-2000F**. **Chairwoman Lodge** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 52-0103-2000F **Omnibus Pending Fee Rules IDAPA 52** Rules of the Idaho State Lottery Commission (Commission). **Jeff Anderson**, Director of the Idaho Lottery, stated the review of these omnibus rules was in line with the Red Tape Reduction Act. He identified the results of the review as follows:

- consolidated three chapters into one, reorganizing them into a logical order;
- deleted 1,379 words, mostly related to a game show that never existed (see Attachment E);
- eliminated three pages of rules.

Mr. Anderson pointed out that no changes were made to these fee rules, nor have any changes been made since the lottery began in 1989. The bingo/raffle has had no changes since 1992.

Mr. Anderson explained the process of reorganizing the rules. He also reported on the effect of the COVID-19 pandemic on the lottery.

MOTION: **Senator Lee** moved to approve **Docket No. 52-0103-2000F**. **Senator Stennett** seconded the motion. The motion carried by **voice vote**.

DISCUSSION: **Chairwoman Lodge** asked Mr. Anderson what the State's share of the winnings would be if an Idaho resident won the lottery. He responded that it would be approximately 7 percent.

PASSED THE GAVEL: Vice Chairman Guthrie passed the gavel to Chairwoman Lodge.

ADJOURNED: There being no further business at this time, **Chairwoman Lodge** adjourned the meeting at 8:58 a.m.

Senator Lodge, Chair

Twyla Melton, Secretary

Carol Cornwall, Assistant Secretary