

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Tuesday, February 09, 2021
TIME: 9:00 A.M.
PLACE: Room EW40
MEMBERS: Chairman Crane, Vice Chairman Armstrong, Representatives Palmer, Barbieri, Holtzclaw, Monks, Scott, Andrus, Young, Furniss, Hanks, Skaug, Gannon, Mathias
**ABSENT/
EXCUSED:** None
GUESTS: Kathy Dawes - League of Women Voters, Phil McGrane - County Clerk, Jason Hancock - Deputy Secretary of State, Elections Division, Bob Coleman - Idaho Armored Vaults

Chairman Crane called the meeting to order at 9:00 a.m.

MOTION: **Rep. Mathias** made a motion to approve the minutes from the meetings of January 19, January 25, January 28, January 29 and February 1, 2021. **Motion carried by voice vote.**

H 88: **Rep. Moyle** presented **H 88**. This legislation addresses the issue of "ballot harvesting", which is the practice of third party individuals and groups, many of them political activists or political parties, "harvesting" absentee or mail ballots from voters and then delivering them to election officials for processing and counting. This legislation would prohibit this practice by limiting ballot handling to those authorized to do so pursuant to Idaho law. The specifics of this legislation are based on the recommendations of the bipartisan Commission on Federal Election Reform, and would limit ballot handling to election officials, U.S. Mail carriers, employees of nationwide parcel delivery businesses, and acknowledged family members.

Kathy Dawes testified on behalf of **Susan Ripley**, President of the League of Women Voters of Idaho **in opposition** of **H 88**. She said ballot harvesting is not currently a problem in Idaho. There are already adequate requirements guaranteeing the security of absentee ballots. For individuals in hospitals or assisted living facilities this would limit their ability to vote. Every eligible voter has the right to have their vote count, regardless of how it is delivered. Adding restrictions could be considered a form of voter suppression. Ms. Dawes was unable to answer questions on behalf of the League of Women Voters.

Phil McGrane testified **in support** of **H 88**. A similar draft was proposed in a working group last summer. This law has been instituted in several states. Ballot harvesting happens in both parties. The postal service is the main point of delivery. Mr. McGrane would prefer the number of ballots allowed to be in the possession of an individual be increased to six. This legislation would not effect absentee ballots. It does restrict who can handle them. **H 88** would help maintain integrity in voting. Mr. McGrane said that while party affiliation is not listed on the outside of the ballot, the voter's name and address are visible.

Jason Hancock testified **in support** of **H 88**. Many of the ballot harvesters are some of the most partisan. This legislation is modeled on the bipartisan Commission on Federal Election Reform from their 2005 recommendation. He said Idaho has some of the best election procedures in the country but always looks for ways to improve. Mr. Hancock also clarified that County Clerks attempt to cure incorrect ballots.

In closing, **Rep. Moyle** stated employees from the County Clerks Office can send staff to help people vote. He said this bill is not about voter suppression. It is about voter protection.

ORIGINAL MOTION:

Rep. Palmer made a motion to send **H 88** to the floor with a **DO PASS** recommendation.

SUBSTITUTE MOTION:

Rep. Mathias made a substitute motion to send **H 88** to General Orders with an amendment to increase the number of ballots a family member may have in their possession.

VOTE ON SUBSTITUTE MOTION:

Rep. Hanks requested a roll call vote. **Motion failed by a vote of 3 AYE and 11 NAY. Voting in favor** of the motion: **Reps. Scott, Gannon, Mathias. Voting in opposition** of the motion: **Reps. Crane, Armstrong, Palmer, Barbieri, Holtzclaw, Monks, Andrus, Young, Furniss, Hanks, Skaug.**

VOTE ON ORIGINAL MOTION:

Rep. Hanks requested a roll call vote. **Motion carried by a vote of 12 AYE and 2 NAY. Voting in favor** of the motion: **Reps Crane, Armstrong, Palmer, Barbieri, Holtzclaw, Monks, Andrus, Young, Furniss, Hanks, Skaug, Gannon. Voting in opposition** of the motion: **Rep. Mathias. Rep. Moyle** will sponsor the bill on the floor.

H 7:

Rep. Nate presented **H 7** to add gold and silver to the list of approved list of potential investments. By adding physical gold and silver to 67-1210, Idaho Code, the State Treasurer would be permitted to hold some portion of state funds in physical gold and silver. This would help secure state assets against the risks of inflation and financial turmoil and/or to achieve capital gains as measured in Federal Reserve Notes. The new authority would be confined to holding gold and silver directly and in a manner that does not assume the counterparty risks involved with other current state holdings, such as corporate bonds, treasury bills, and other debt instruments. This measure would not empower the State Treasurer to invest in paper instruments, futures contracts, or other gold and silver derivatives. The authority would be confined to physical gold and silver, directly owned by the state and stored in a secure depository.

Bob Coleman testified **in support** of **H 7**. He believes **H 7** would protect Idaho from systemic risk as well as physical risk. Purchasing power would help support the industry. Space and size for the storage of gold/silver is not an issue. Mr. Coleman said the holding fee drops as more precious metal is stored. The holding fee Includes guards, audit holdings, insurance and security. The safety of the vault at Idaho Armored Vault is the highest in the world and clients are welcomed to enter the vault to audit assets. In closing, gold would be protected from inflation and this is a good bill for securing Idaho's investments.

MOTION:

Rep. Scott made a motion to send **H 7** to the floor with a **DO PASS** recommendation.

During discussion, there was positive feedback about giving the Treasurer's office more flexibility for investments. The Treasurer is open to investing in gold and silver but does not want to invest without it being on the approved list of potential investments. To date all investment options on the list are paper assets, subject to inflation. Gold and silver are all real assets and not subject to inflation. There are two depositories in Idaho. There would be a competitive bid process for the storage of the precious metals. Investing in gold and silver would not be mandated, rather an option. Several committee members supported having options and diversifying assets.

There were concerns about holding gold given there are better investments on the market. It was also noted that the fiscal note does not reflect the transaction or holding fees associated with investing in the precious metals.

**VOTE ON
MOTION:**

Motion carried by voice vote. Rep. Furniss requested to be recorded as voting **NAY**. **Rep. Nate** will sponsor the bill on the floor.

Chairman Crane provided clarification on remote testimony. He stated the committee will allow remote testimony from state agencies and lobbyists, however, they must check in with the Chairman prior to the meeting.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 10:00 a.m.

Representative Crane
Chair

Kelly Staskey
Secretary