

MINUTES
SENATE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Tuesday, February 09, 2021

TIME: 1:30 P.M.

PLACE: Room WW54

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

ABSENT/ EXCUSED: Senators Lakey and Martin

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 1:30 p.m.

MINUTES APPROVAL: **Senator Riggs** moved to approve the Minutes of January 28, 2021. **Vice Chair Souza** seconded the motion. The motion carried by **voice vote**.

Chairman Patrick announced the approval of the Minutes of February 2, 2021, would be moved to later on the agenda.

S 1024 **Relating to the Division of Occupational and Professional Licenses (DOPL) - Hiring Authority.** **Russ Barron**, Division Administrator, DOPL, said Tim Frost, Legislative and Regulatory Affairs Manager, DOPL, would be explaining this legislation.

Mr. Frost described the bill provisions. He said the legislation revises powers and duties of the DOPL Board, removes provisions regarding an Executive Director, employees of the DOPL Board, hiring or appointing of employees; and also provides a correct code reference.

Mr. Frost outlined the nine previously self-governing agencies that are impacted. He noted DOPL is being structured to include support at every level, including board meeting support, investigations, inspections, and licensing. He said each of DOPL's three sections will have staff employed to continue providing individualized support to that particular section and their respective boards.

DISCUSSION: **Vice Chair Souza** and **Mr. Frost** discussed the additions and deletions of sections of the bill, and the possibility of adjusting legislation in an effort to transition appropriately.

Senator Burgoyne remarked it is important that licensing boards continue to feel there is direct access to the Legislature. **Mr. Frost** noted that DOPL is committed to collaboration between the boards. He said there will be rules and agency legislation that will come before this Committee in the future.

Senator Guthrie inquired about the projections of potential savings with this transition. **Mr. Frost** commented that by moving several of the boards to the Chinden campus, there was a projected savings of \$600,000. **Senator Guthrie** asked for more clarification and detail on the savings.

TESTIMONY: **Mr. Barron** reported that in general, agencies would pay less per square foot by moving to the Chinden campus because they would not have to pay to lease at another facility. He explained the Chinden campus has four board rooms with one serving as a training room. In the past, board meetings were held at a hotel, which was costly.

Misty Lawrence, Financial Management Analyst, Sr., Division of Financial Management, testified that on average, 11 agencies pay leasing costs of \$18 per square foot. She said by being at the Chinden campus the savings amounts to approximately \$600,000. She disclosed the ongoing appropriation in base budgets is approximately \$1.5 million. She noted 50,000 square feet at the Chinden campus multiplied by \$13.50 per square foot amounts to \$810,000 annually. **Ms. Lawrence** stated the difference is what is in the current base budget and what each board should be charged, amounting to \$673,000. She said, however, the savings will not be realized until the following fiscal year, when all of the boards have moved to the Chinden campus.

DISCUSSION: **Senator Riggs** queried what sort of feedback mechanisms were in place for the different boards. **Mr. Frost** remarked that currently Mr. Barron meets with section chiefs and communicates with boards and employees on an ongoing basis. **Mr. Frost** said feedback from board members was elicited and there is a shared vision.

MOTION: **Vice Chair Souza** moved to send **S 1024** to the floor with a **do pass** recommendation. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

S 1026 **Relating to DOPL - Assignment of Boards.** **Mr. Frost** indicated this legislation has one goal: to update the statute reference of all boards transitioned under DOPL to the new agency name, DOPL. He noted that prior to Executive Order No. 2020-10, the boards were freestanding, part of DOPL, contracting with DOPL, or a part of the Division of Building Safety (DBS). **Mr. Frost** outlined the 11 agencies that are impacted.

MOTION: **Senator Agenbroad** moved to send **S 1026** to the floor with a **do pass** recommendation. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

S 1056 **Relating to DOPL - Reorganization.** **Mr. Frost** reported this legislation will continue the reorganization of DOPL. **Mr. Frost** said one of the DOPL goals is to simplify the occupational licenses fund for budgeting and transparency. He remarked the other goal is to merge the DBS into the DOPL and assign duties of the DBS Administrator to the DOPL Administrator.

Mr. Frost stated the legislation amends the licensing renewal and reinstatement provisions to account for differences between licensing boards. He said that additionally, this legislation will combine the accounts of the various boards consolidated into DOPL. **Mr. Frost** said the accounts will be combined with the existing dedicated fund account of DOPL. He said the new Luma cost accounting structure will be used to track the funds. He indicated that through Transparent Idaho, Idahoans will be able to clearly view budget and expenditure reports at every level of DOPL.

MOTION: **Vice Chair Souza** moved to send **S 1056** to the floor with a **do pass** recommendation. **Senator Riggs** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Ward-Engelking** moved to approve the Minutes of February 2, 2021. **Senator Agenbroad** seconded the motion. The motion carried by **voice vote**.

RS 28211

Relating to the Idaho State Insurance Fund. Rick Ferguson, Chief Executive Officer, Idaho State Insurance Fund (SIF), reported SIF provides only workers' compensation insurance and only offers insurance to Idaho employers. He explained SIF is governed by a five-member board appointed by the Governor. **Mr. Ferguson** noted SIF operates exclusively on policyholder premiums and investment income and receives no federal or state tax dollars.

Mr. Ferguson advised this legislation will allow SIF to provide policyholders and injured workers with electronic banking options, such as digital fund exchanges similar to PayPal and Venmo. With this change, he said, this will allow SIF to more easily issue pay cards to injured workers, to manage stop payments, check cancellations, and to perform a variety of other banking procedures without the duplicity of banking through the Treasurer's Office.

Mr. Ferguson remarked this legislation will allow the SIF to manage banking and payroll, and will provide the opportunity to work on some state holidays, offer new employees a paid time off policy, and manage banking needs more efficiently.

MOTION:

Senator Guthrie moved to print **RS 28211**. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

RS 28260

Relating to Occupational Licensing Reform - Military. Senator Den Hartog reported on this RS for Senator Lakey, who was absent due to his attendance at a memorial. She noted this legislation relates to occupational licensing reform, improves the clarity of the license by endorsement process for military members, veterans, and spouses. **Senator Den Hartog** remarked that included is a deadline for processing applications for licensure. She said basic requirements for proof of military or veteran status and licensure in another jurisdiction is provided in this bill, which allows for a limited scope of practice rather than outright denial. **Senator Den Hartog** noted this legislation also maintains the ability to benefit from existing interstate compacts for licensure.

Senator Den Hartog indicated these changes will clarify and simplify the process and do not require additional staff. She explained there is no fiscal impact to the State budget.

MOTION:

Senator Burgoyne moved to send **RS 28260** to print. **Vice Chair Souza** seconded the motion. The motion carried by **voice vote**.

RS 28262

Relating to Occupational Licensing Reform - Sunset Review. Senator Den Hartog stated this legislation relates to occupational licensing reform and provides for the regular review of existing licensure requirements and regulations also known as a "sunset" review. She noted the sunset process is intended to determine the appropriateness and necessity of existing regulation and provides a regular opportunity to reduce or eliminate unnecessary regulation. **Senator Den Hartog** noted the framework is provided for the sunset review process but the criteria to be evaluated when determining whether existing regulations are still necessary and appropriate. She stated this responsibility will be incorporated into the duties of the existing Sunrise Committee (SC).

Senator Den Hartog reported these regular sunset reviews will require one additional administrative staff person in the Legislative Services Office (LSO). She said it is estimated that this position would have a fiscal impact of \$70,000, which includes salary, benefits, and some one-time expenses for office items. She said the position would then be subject to the ongoing budget and appropriation process for LSO. The meetings of the SC will require some expenses associated with travel and other items, which is anticipated to be less than \$10,000 annually.

MOTION: **Senator Ward-Engelking** moved to send **RS 28262** to print. **Senator Burgoyne** seconded the motion.

DISCUSSION: **Vice Chair Souza** queried if the rotating sunset review process was standard or different for sectors of licensing. **Senator Den Hartog** remarked the process was the same for all on a rotating basis with no automatic expiration for licenses.

VOTE ON MOTION: The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairman Patrick** adjourned the meeting at 2:14 p.m.

Senator Patrick
Chair

Linda Kambeitz
Secretary