

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Wednesday, March 03, 2021

**TIME:** 1:30 P.M.

**PLACE:** Room EW41

**MEMBERS:** Chairman Dixon, Vice Chairman Furniss, Representatives Crane, Palmer, Barbieri, Armstrong, DeMordaunt, Clow, Andrus, Nichols, Adams, Bundy, Ferch, Galloway, Mitchell, Shepherd, Berch, Green

**ABSENT/  
EXCUSED:** None

**GUESTS:** Jeff Neumeyer, United Heritage, Sarah Bettwieser, State Farm/SelectHealth, Clint Pasketwitz, Big I, Dean Cameron, Director, Department of Insurance (DOI), Randy Pedal, DOI, Mike Reynoldson, Blue Cross of Idaho, Brody Aston, Idaho Association of Building Officials, Darcy Neidigh, DeBest Plumbing, Jason Blais, City of Boise, Stephen Thomas, Farm Bureau and IAHP

**Chairman Dixon** called the meeting to order at 1:30 p.m.

**H 147:** **Rep. Furniss** continued the presentation of **H 147**, legislation regarding the creation of an Insurance Data Security Act, which was previously heard in Committee on March 1, 2021. Rep. Furniss stated the purpose of the legislation wasn't only about cybersecurity, but about upholding the Constitution and the concept of Federalism. He added that it was a miracle that all parties involved supported the legislation.

Speaking **in support** was **Jeff Neumeyer**, United Heritage. Mr. Neumeyer said that after many drafts and despite the legislation being imperfect, the model in the legislation was far better than the NAIC model and believed it was better for Idaho.

**Rep. Galloway** spoke **in support** of the legislation, stating at first she had great concerns with the legislation from the perspective of a small business, but now felt comfortable supporting it.

**MOTION:** **Rep. Galloway** made a motion to send **H 147** to the floor with a **DO PASS** recommendation.

Those speaking **in support** of the motion were **Rep. Clow** and **Rep. Berch**. Rep. Clow said the legislation would allow for state sovereignty practice and the use of NAIC language was necessary for uniformity in line with other state cybersecurity legislation. Rep. Berch said that while the legislation wasn't perfect, it is better than the status quo and those who worked on the legislation deserved to have it pass.

**In opposition** of the motion, **Rep. Crane** stated there were too many corrections that needed to be made in portions of the legislation.

**SUBSTITUTE MOTION:** **Rep. Crane** made a substitute motion to send **H 147** to General Orders.

In response to Committee questions, **Rep. Crane** stated he didn't like the use of a personal mark, but after speaking with **Mr. Neumeyer**, there was room to negotiate his concerns within the legislation and have them corrected. He also addressed concerns about working as quickly as possible to make any changes before the transmittal end date.

Those speaking **in support** of the substitute motion were **Rep. Ferch**, **Rep. Nichols**, and **Rep. Armstrong**. They all spoke to the good nature of the legislation, but expressed concerns of personal marks and also said they would like to take advantage of fixing minor changes to the legislation instead of having an entirely new bill redrafted.

**VOTE ON  
SUBSTITUTE  
MOTION:**

**Motion carried by voice vote.** **Rep. Furniss** will sponsor the bill on the floor.

**H 144:**

**Rep. Ferch** presented **H 144**, legislation regarding compensation of officers, directors, trustees, and employees of any health insurance carriers. **Rep. Ferch** stated he considered this a transparency bill and felt it would benefit taxpayers to know where their tax money is going. He added that other entities and other states have this information public and that it should be the same in Idaho.

In response to Committee questions, **Rep. Ferch** stated that not all compensation data is disclosed on the annual report, that he wanted insurance companies to follow similar compensation policies of tax-exempt agencies, and that the intent of the legislation was not to drive down policy costs.

Those speaking **in opposition** were **Jeff Neumeyer**, United Heritage and **Stephen Thomas**, Farm Bureau and IAHP. **Mr. Neumeyer** said that he was uncomfortable with this legislation because employees paid less than top executives, would have their salary information available to the public and compensation of executives is already available in a compensation exhibit form. **Mr. Thomas** stated the legislation lacked validity, is a solution in search of a problem, and would result in unintended consequences.

In response to testimony, **Rep. Ferch** stated the legislation was not unique in comparison to what other states are doing and that an unintended consequence of passing the legislation would be the possibility of future discussions leading to the lowering of policy costs.

**Chairman Dixon** called for a motion on **H 144**. Due to lack of a motion, **H 144** will be held in Committee.

**Chairman Dixon** turned the gavel over to **Vice Chairman Furniss**.

**H 254:**

**Rep. Dixon** presented **H 254**, legislation regarding the removal of certain electrical, mechanical, and plumbing codes and amend existing code for localities. **Rep. Dixon** stated the legislation was to prevent localities from having a workaround the current codes.

Those speaking **in opposition** were **Darcy Neidigh**, DeBest Plumbing, **Jason Blais**, City of Boise, and **Brody Aston**, ID Associates of Building Officials. **Ms. Neidigh** stated she didn't fully understand the legislation and was under the impression the legislation would remove the requirement of having inspections in more rural areas. **Mr. Blais** and **Mr. Aston** stated the legislation, if enacted, wouldn't be in the correct section of code.

In response to separate Committee questions, both **Ms. Niedigh** and **Mr. Aston** stated they would be more comfortable with the legislation if certain changes were made.

**MOTION:**

**Rep. Crane** made a motion to send **H 254** to **General Orders**.

Those speaking **in opposition** to the motion were **Rep. Berch** and **Rep. Barbieri**. **Rep. Berch** said sending it to General Orders wouldn't fix the issues, leading to unintended consequences, and felt more information was needed. **Rep. Barbieri** stated since there was discussion of getting the changes implemented to the correct section of code, he felt new legislation would need to be drafted instead.

**SUBSTITUTE MOTION:**

**Rep. Barbieri** made a substitute motion to **HOLD H 254** in Committee.

In response to a Committee question, **Rep. Dixon** stated he would prefer to have **H 254** sent to **General Orders**.

**Rep. Crane** declared **Rule 80**, stating a possible conflict of interest, but that he would be voting on the legislation.

Speaking **in support** of the substitute motion, **Rep. Clow** said that due to too many complicated changes, he would rather the legislation be redone.

Speaking **in opposition** of the substitute motion, **Rep. Galloway** said she would prefer to have changes done through General Orders if they could be done before the transmittal deadline.

**VOTE ON SUBSTITUTE MOTION:**

**Vice Chairman Furniss** called for a vote on the substitute motion to **HOLD H 254** in Committee. **Motion failed by voice vote.**

**VOTE ON ORIGINAL MOTION:**

**Vice Chairman Furniss** called for a vote on the original motion. **Motion carried by voice vote.** **Rep. Berch** requested to be recorded as voting **NAY**. **Rep. Dixon** will sponsor the bill on the floor.

**ADJOURN:**

There being no further business to come before the Committee, the meeting adjourned at 3:10 p.m.

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Representative Dixon  
Chair

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Mackenzie Gibbs  
Secretary