

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Monday, March 08, 2021

TIME: 8:00 A.M.

PLACE: Room WW55

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

ABSENT/ EXCUSED: None

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 meeting of the Senate State Affairs Committee (Committee) to order at 8:05 a.m.

GUBERNATORIAL REAPPOINTMENT VOTE: **Senator Winder** moved to send the Gubernatorial reappointment of Valisa R. Say to the Bingo/Raffle Advisory Board to the floor with the recommendation that she be confirmed by the Senate. **Senator Anthon** seconded the motion. The motion carried by **voice vote**.

H 141AA **Relating to Public Procurement to establish that there will not be noncompetitive procurement contracts between State agencies and State institutions of higher learning.**

Representative Caroline Nilsson Troy, District 5, outlined the results of her research involving grants and contracts between State agencies and State institutions of higher learning which found that many disparities existed. The noncompetitive environment for distributions created an unregulated arrangement in which many universities unknowingly missed opportunities to apply for monies. **Representative Troy** stipulated contracts and grants between a university and a State agency must have a competitive bid on every proposal. **H 141aa** also amends current law by putting a minimum of \$10,000 requirement for competitive bidding.

DISCUSSION: **Senator Stennett** asked whether State agencies have a different process for similar types of proposals. **Representative Troy** responded that the State agencies still do not have to compete with each other for grants and contracts. She gave an example of one State agency giving a grant to a different State agency for programs that are then subcontracted to a non-state agency.

MOTION: **Senator Burgoyne** moved to send **H 141aa** to the Senate floor with a **do pass** recommendation. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

H 104 **Relating to Campaign Finance to Include the identity of the candidate or measure being impacted by the reported expenditure.**

Representative Priscilla Giddings, District 7, explained **H 104** amends Idaho Code § 67-6611 associated with independent expenditures for campaign finance law by including a requirement that the identity of the candidate or a measure impacted by an expenditure be reported. She stated the prior reporting system had included this information; however, when the upgrade to an on-line portal

was introduced, this information was not being captured. **Representative Giddings** remarked that, after communicating with the Idaho Secretary of State's Office (SOS), the intention to report this information was for transparency purposes.

DISCUSSION: **Senator Burgoyne** asked if this is not a current law, and if he were an independent expenditure committee, would there be any enforcement on reporting expenses and any accountability to provide a record to the SOS. **Representative Giddings** responded that there would not be a record.

TESTIMONY: **Chad Houck**, Chief Deputy Secretary of State testified in favor of **H 104** and affirmed the draft consultation with their office. He referred to Senator Burgoyne's observation regarding reporting and accountability citing the current statute that requires the purpose of an expenditure be stated. **Mr. Houck** explained the importance for vendors under contract to document service expenses in their software that support Idaho State legislation. He specified that if the statutory components this bill requires were on-line it would improve disclosure, increase transparency, and foster a more professional work system with vendors.

DISCUSSION: **Chairwoman Lodge** requested confirmation the SOS's intent is to continue its search for independent expenditures and electioneering data. **Mr. Houck** stated, due to current reduced staff, progress on this project has been slowed. The SOS expects completion will be within the next several months. **Chairwoman Lodge** asked if completion by July was still possible. **Mr. Houck** affirmed it was.

MOTION: **Senator Stennett** moved to send **H 104** to the Senate floor with a **do pass** recommendation. **Senator Guthrie** seconded the motion. The motion carried by **voice vote**.

H 107 **Relating to Instruments regarding the validity of an instrument's acknowledgment prior to July 1, 2017.**

Mr. Houck, stated that in 2017, the SOS proposed the Revised Uniform Law of Notarial Acts (RULONA). RULONA did not apply retroactively. Therefore, notarial acts conducted prior to 2017 have been subject to disparate treatment. **Mr. Houck** explained this bill is intended to mitigate the effects of a recent federal bankruptcy case on property rights in Idaho. He referenced line 30 of **H 107** which declared a determination that any document recorded prior to July 1, 2017 is conclusive evidence of the validity of that document's acknowledgement, but not necessarily of other aspects of the document.

DISCUSSION: **Senator Burgoyne** asked if acknowledgements had been challenged prior to RULONA. **Mr. Houck** stated he could not specifically answer that question but pointed to the federal court case as the catalyst for the current consideration. **Senator Burgoyne** expressed concern about a recorded document becoming relevant after a long period of time due to error, fraud, or forgery, and whether the concerns would be relieved in the original RULONA legislation. **Mr. Houck** explained **H 107** was created by title companies, banks and the real estate industry for protection of the validity of titles which have been recorded and then brought into court cases solely on the questioning of the acknowledgment. He explained when the only thing contested is the acknowledgement, the problem that may arise would be that the only two people who can confirm the certification, the Notary and the original signer, would neither be available or still living. **Senator Burgoyne** acknowledged that RULONA's current policy seemed congruent with **H 107**.

MOTION: **Senator Harris** moved to send **H 107** to the Senate floor with a **do pass** recommendation. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

H 127

Related to Idaho Broadband to create an Idaho Broadband Advisory Board and Idaho Broadband Fund.

Representative Megan Blanksma, District 23, said **H 127** establishes the Idaho Broadband Advisory Board (Board), for management of funding and distribution of monies in conjunction with creating an Idaho Broadband Fund (Fund). The Board would consist of three Representatives, three Senators, and three Governor appointees to manage future federal funds or any funding the State of Idaho might allocate. **Representative Blanksma** cited the Governor's Building Idaho Future Plan retained \$35 million to distribute to the Department of Commerce which could resource the Fund. She stressed the necessity of Statewide structure and non-bureaucratic distribution of monies.

DISCUSSION:

Senator Burgoyne expressed positive support of **H 127**, but he addressed a concern for minority legislators from the House of Representatives and the Senate being under represented as appointees on the Board. He suggested the bill be amended to recommend at least one minority legislator be appointed. **Representative Blanksma** stated she preferred **H 127** not go to the amending order.

Senator Guthrie inquired whether the coordinator at the Department of Commerce made decisions related to broadband funding and if they would continue to participate with the establishment of an advisory board. **Representative Blanksma** explained the coordinator has no power in decisions, however the Director of the Department of Commerce (Director) has been allocating monies received. **Senator Guthrie** asked if the ultimate authority would still be the Director or would it now be the Board. **Representative Blanksma** clarified that the Board is not an advisory board, that its primary emphasis would be planning and determining areas of the State that are most in need of structure, prioritizing, and the dispersing of grants. **Senator Guthrie** commented that he must be confused because in several places it is stated that this is an advisory board. **Representative Blanksma** cited the confusion may be due to the title on the agenda where it was stated as an advisory board.

Senator Stennett inquired if the Board has a set duration. **Representative Blanksma** stated there is no end time frame for this Board; the expectation for continued mapping and network improvements in the State would be an on going operation.

TESTIMONY:

Benn Brocksome, Imagine Idaho Actions Inc., testified in favor of **H 127**. He expressed the organizations goal of making sure people can live anywhere, learn anywhere, and connect anywhere in the State of Idaho. He confirmed the need for a funding mechanism and planning objective year round for the management of monies.

Senator Carl Crabtree, District 7, testified in favor of **H 127**. He explained the invaluable impact that improved mapping would provide for his district. He reflected on the past year of connectivity challenges that became more apparent during the Covid-19 pandemic related to education and people working from home.

DISCUSSION:

Chairwoman Lodge said she wondered what Senator Crabtree thought about Senator Burgoyne's request for minority representation on the Board. **Senator Crabtree** expressed no concern and had full assurance in the House Speaker's, the Pro Tempore's, and the Governor's procedural process for selecting a board.

Senator Burgoyne cited the technical correction related to the word "advisory" in the title and the question of minority representation as issues.

MOTION: **Senator Burgoyne** moved to send **H 127** to the 14th Order for possible amendment. **Senator Stennett** seconded the motion.

SUBSTITUTE MOTION: **Senator Lee** made a substitute motion to send **H 127** to the Senate floor with a **do pass** recommendation. **Senator Anthon** seconded the motion. The motion carried by **voice vote**. Senator Stennett and Senator Burgoyne were recorded as voting nay.

MINUTES APPROVAL: **Senator Winder** moved to approve the Minutes of January 27, 2021. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

Senator Harris moved to approve the Minutes of February 8, 2021. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairwoman Lodge** adjourned the meeting at 8:45 a.m.

Senator Lodge
Chairwoman

Twyla Melton
Secretary

Shelley E. Turley
Staff Assistant