

MINUTES  
**SENATE COMMERCE & HUMAN RESOURCES COMMITTEE**

**DATE:** Tuesday, March 09, 2021

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

**PLACE:** Room WW54

**MEMBERS PRESENT:** Chairman Patrick, Vice Chairman Souza, Senators Martin, Lakey, Guthrie, Agenbroad, Riggs, Ward-Engelking, 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:** **Chairman Patrick** called the meeting of the Senate Commerce and Human Resources Committee (Committee) to order at 1:30 p.m.

**Chairman Patrick** noted a change in the meeting agenda. The RS would be heard first before the Committee discusses other items.

**RS 28755** **Relating to Employment Security Law - Unanimous Consent Request for Referral to a Privileged Committee for Printing.** **Senator Zito** gave a very brief overview of the RS noting it protects the Unemployment Trust Fund.

**MOTION:** **Chairman Patrick** asked for unanimous consent to send **RS 28755** to the Judiciary and Rules Committee for a print hearing. There were no objections.

**H 81** **Relating to Insurance - Revise Maximum Number of Board of Directors.** **Representative Matthew Bundy (District 23)**, remarked this bill corrects a historical anomaly in Idaho Code § 41, Chapter 28, concerning insurance companies and the maximum number of directors allowed by law to sit on certain insurance companies' boards of directors. He noted this bill expands from 15 to 25 the maximum number of directors who may sit on the board of a domestic insurance company under Idaho Code § 41-2835(1). He said this change would create a consistent rule by matching the 25 maximum number of directors currently allowed to sit on the board of a service corporation that converted to a mutual insurer, under existing Idaho Code § 41-2835(5).

**Representative Bundy** noted this change in statute would not impact the General Fund, any dedicated fund, federal grants, or impacts to local funds because no expenditure from these accounts is required.

**Representative Bundy** added there was no opposition from stakeholders on this bill.

**TESTIMONY:** **Stephen Thomas**, Farm Bureau Mutual Insurance Company, stated he supported the bill.

**Jeff Neumeyer**, United Heritage Financial Group, testified in support of the bill on behalf of the Farm Bureau.

**MOTION:** **Senator Agenbroad** moved to send **H 81** to the floor with a **do pass** recommendation. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

**S 1120**

**Relating to Police Officers - Collective Bargaining - Discussion and Vote Only.** **Rob Shoplock**, Vice President, Professional Firefighters of Idaho, said in closing it is important to hear from employees and to work collaboratively. **Mr. Shoplock** stated that in the last 50 years of collective bargaining in the State, a city has never filed for bankruptcy. He noted he could spend time studying a contract and make decisions.

**Mike Miraglia**, Legislative Chair, Fraternal Order of Police, addressed some of the concerns expressed by Committee members from its meeting on March 4, 2021. He explained the definition of police officers includes city, county, and state officers and originates from the Public Employee Retirement System of Idaho (PERSI). He pointed out collective bargaining is about open communication and transparency. **Mr. Miraglia** clarified that union funds could not be used for a political situation. He stated many police departments have tried to institute collective bargaining with cities and counties on the local level and failed. He stated many officers were asked by the Fraternal Order of Police if they would be willing to testify in support of this bill but said they feared repercussions. He noted that this bill was brought forward because officers want to be part of the solution and want a voice in collective bargaining.

**DISCUSSION:** In response to a question from Senator Riggs, **Mr. Miraglia** stated if an agreement could not be reached, an independent perspective would be sought by the parties involved. He said the agreements are non binding and he hoped the good faith effort of communicating would help in negotiations.

**Senator Agenbroad** asked Susan Buxton, Administrator, Division of Human Resources (DHR), to answer some of his questions. **Senator Agenbroad** queried if the State is engaged in any collective bargaining. **Ms. Buxton** remarked she was not aware and that issue was never brought to DHR for review. She explained the structure of collective bargaining will address any law enforcement officers under PERSI. She declined to take a position on this bill.

**MOTION:** **Senator Ward-Engelking** moved to send **S 1120** to the floor with a **do pass** recommendation. **Senator Burgoyne** seconded the motion.

**DISCUSSION:** **Senator Ward-Engelking** remarked all of her collective bargaining experiences as an educator were positive. Employees do not always see what the administration must deal with but could always find agreement on some issues and move forward.

**Vice Chair Souza** remarked she appreciated this bill but it is not the answer Idaho needs at this time. She advised it was not the place of the State to mandate that collective bargaining is a process every community has to undergo. **Vice Chair Souza** explained that in Coeur d'Alene collective bargaining was instituted by public vote and had community support. She said Coeur d'Alene's approach is better for law enforcement and the community because it ensures mutual respect.

**SUBSTITUTE MOTION:** **Vice Chair Souza** moved that **S 1120** be held in Committee. **Senator Agenbroad** seconded the motion.

**DISCUSSION:** **Senator Burgoyne** expressed his concerns about the substitute motion. He noted when involved in arbitration he never found the hearings to be contentious. He said testimony from both sides was characterized by candor and honesty. He remarked there are all kinds of reasons to have collective bargaining for balance. **Senator Burgoyne** stated law enforcement should be heard and this bill is a solid step in that direction.

Committee members discussed the process of collective bargaining and expressed their appreciation and support for law enforcement. Several members expressed a concern about the State mandating local government to engage in the collective bargaining process and supported the substitute motion.

**Senators Ward-Engelking** and **Senator Burgoyne** expressed support for the original motion.

**ROLL CALL VOTE:** **Chairman Patrick** asked for a roll call vote on the substitute motion that **S 1120** be held in Committee. **Senators Lakey, Guthrie, Agenbroad, Riggs, Vice Chair Souza,** and **Chairman Patrick** voted aye. **Senators Martin, Ward-Engelking,** and **Burgoyne** voted nay. The motion carried.

**S 1161** **Relating to Occupational Licensing - Electrical Contractors and Journeymen.** **Senator Guthrie** stated apprenticeships are an integral part of workforce development. He said electrical apprenticeships provide critical on-the-job training to the apprentice and ensure the quality of the next generation of journeymen electricians. He said proper supervision of apprentices is key to on-the-job safety.

**Senator Guthrie** remarked the Idaho Electrical Board, after considering input from the electrical industry, established journeymen-to-apprentice ratios of 1:2 in commercial and industrial work and 1:4 in residential work. He noted in order to meet the needs of the electrical industry and protect public safety, this bill adopts the journeyman-to- apprentice ratio of IDAPA 24.39.10.09(a). **Senator Guthrie** reported there is no fiscal impact to the General Fund, any dedicated fund, federal grants, or to local funds because no expenditure from those accounts is required.

**TESTIMONY:** **Jeff Fitzloff**, master electrician and inspector, representing himself, testified in support of the bill. He emphasized it was important for apprentices to be supervised.

**MOTION:** **Senator Martin** moved to send **S 1161** to the 14th Order of Business for possible amendment. **Senator Burgoyne** seconded the motion.

**DISCUSSION:** **Senator Ward-Engelking** and **Senator Guthrie** discussed whether this bill is an effort to place supervision of apprentices in statute rather than rule.

**VOICE VOTE:** The motion to send **S 1161** to the 14th Order of Business for possible amendment carried by **voice vote**.

**S 1057** **Reconsideration of Insured Homeowner Protection Act.** **Michael Kane**, American Property Casualty Insurance Association, noted this bill was returned to Committee because legislators raised enough concerns to warrant amendment..

**TESTIMONY:** **Mark Pasculli**, President and Chief Executive Officer, Cleanup and Total Restoration, testified in support of the bill. He said the industry is highly unregulated and what they do is unique. He said this bill is a good road map to protect homeowners from predatory practices in the cleanup and restoration business.

**MOTION:** **Senator Burgoyne** asked for unanimous consent to send **S 1057** to the 14th Order of Business for possible amendment. There were no objections.

**PRESENTATION: Overview of the Idaho Department of Commerce (IDOC) and Broadband.** Tom Kealey, Director, IDOC, outlined the department's responsibilities, the mission and vision, and its economic development priorities. He reported on building Idaho's future with broadband (Attachment 1). He reported the IDOC has spent a significant amount of time on core values and guiding principles. He indicated COVID-19 had a big effect on Idaho's economy, but the State is rebounding.

**ADJOURNED:** There being no further business at this time, **Chairman Patrick** adjourned the meeting at 3:03 p.m.

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Senator Patrick  
Chair

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Linda Kambeitz  
Secretary