

MINUTES
HOUSE BUSINESS COMMITTEE

- DATE:** Tuesday, January 25, 2022
- 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:** Rep. Crane, Adams
- GUESTS:** The sign-in sheet will be retained in the committee secretary's office; following the end of the session the sign-in sheet will be filed with the minutes in the Legislative Library.
- Chairman Dixon** called the meeting to order at 1:29 p.m.
- MOTION:** **Rep. Berch** made a motion to approve the meeting minutes from January 17, 2022. **Motion carried by voice vote.**
- RS 29181:** **Rep. Nichols** presented **RS 29181**. This proposed legislation makes the following changes to Idaho Code under section 6-321: Adding both the Federal Deposit Insurance Corporation and the National Credit Union Administration for the purposes of holding security deposits for residential rental premises managed by a third-party.
- Last year **H 152** passed to address deposits. **RS 29181** introduces a technical change to that bill because many areas in Idaho have credit unions rather than FDIC insured banks. **Rep. Nichols** declared **Rule 80**.
- In response to committee questions, **Rep. Nichols** said she is not opposed to the legislation going into effect upon signature of the Governor. She indicated most businesses have established accounts with their lending institutions so this change should not cause any challenges for the banks or credit unions. **Rep. Berch** declared **Rule 80**.
- MOTION:** **Rep. DeMordaunt** made a motion to introduce **RS 29181**.
- During discussion, there was encouragement, again, to change the effective date of the proposed legislation so it would go into effect immediately upon passage and approval.
- MOTION
WITHDRAWN:** **Rep. DeMordaunt** requested unanimous consent to withdraw her motion. There being no objection, the motion was withdrawn.
- MOTION:** **Rep. DeMordaunt** made a motion to introduce **RS 29181**, including language to change the effective date to, "...upon signature of the Governor." **Motion carried by voice vote.**
- RS 29195:** **Rep. Manwaring** presented **RS 29195** to define the legal status of digital assets, classify digital assets as personal property, and specify rights of purchase, possession, and control. He declared **Rule 80**.

Rep. Manwaring stated this proposed legislation is a starting point for dealing with digital assets, including how it can be used in business. Digital assets are controllable electronic records and will be recognized as personal property. It clarifies digital assets may be purchased and sold. Examples of digital assets include electronic documents, media, digital art and music. Digital assets are currently in a two-trillion dollar asset class.

In response to committee questions, **Rep. Manwaring** said the IRS currently defines digital assets as personal property and property gains are paid on these assets. For example, the user is responsible for reporting and paying taxes on cryptocurrency. Concern was expressed about the potential need for additional law enforcement resources to address illegal sales. Rep. Manwaring stated there would not be an additional burden on law enforcement resources.

MOTION: **Rep. Clow** made a motion to introduce **RS 29195. Motion carried by voice vote.**

DOCKET NO. 48-0101-2100F: **Brenna Smith**, Operations and Finance Manager, Idaho Grape Growers and Wine Producers Commission (IGGWPC) presented **Docket No. 48-0101-2100F**, a pending rule regarding the re-authorization of fee rules for IGGWPC. She stated the rules are existing rules, previously reviewed by the Legislature, and have not been changed in the last year.

MOTION: **Rep. Palmer** made a motion to approve **Docket No. 48-0101-2100F. Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 1:51 p.m.

Representative Dixon
Chair

Kelly Staskey
Secretary