

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Friday, February 24, 2023

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman Guthrie, Vice Chairman Bernt, Senators Winder, Anthon, Harris, Lee, Toews, Wintrow, and Ruchti

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 Guthrie** called the Senate State Affairs Committee (Committee) to order at 8:00 a.m.

MINUTES APPROVAL: **Senator Ruchti** moved to approve the minutes of February 13, 2023. **Senator Bernt** seconded the motion. The motion carried by **voice vote**.

Senator Toews moved to approve the minutes of February 20, 2023. **Senator Winder** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Chairman Guthrie passed the gavel to Vice Chairman Bernt.

RS 30319 **Relating to the Public Employee Retirement System - Amends Section 59-1303, Idaho Code.** **Chairman Guthrie** said he and Senator Cook were cosponsors of this legislation and if sent to print, it would likely go to another committee. The legislation addressed the Rule of 80 membership status of law enforcement positions for retirement purposes and considered additional categories or classes of employees engaged in hazardous duty and engaged in jobs where the employees became superannuated due to the arduous physical requirements of the job.

MOTION: **Senator Lee** moved to send **RS 30319** to print. **Senators Toews** and **Winder** seconded the motion. The motion carried by **voice vote**.

RS 30445 **Relating to Liquor Licenses - Amends Section 23-903, Idaho Code.** **Chairman Guthrie** informed this legislation addressed the quota system currently used to regulate the density of retail liquor-by-the-drink licenses. After July 1, 2023, those licenses would no longer be transferable but the legislation would allow current quota licensees to sell their license one time. Thereafter, the licenses would be non-transferable. There was no immediate impact to the general fund; however, over time the funding to the Idaho State Police Alcohol Beverage Control (ABC) unit would be impacted. ABC currently charged 10 percent transfer fee based upon the sales price of quota licenses. Funding to ABC from those quota licenses sold averaged \$488,000 over the past five years.

MOTION: **Senator Harris** moved to send **RS 30445** to print. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Vice Chairman Bernt passed the gavel back to Chairman Guthrie.

RS 30451 **Relating to the Legislature - Amends Section 67-465, Idaho Code.** **Senator Winder** described this legislation as intervention in actions regarding an Idaho statute. When the constitutionality of an Idaho statute was challenged in state or federal courts, either or both houses of the legislature may intervene, at the sole discretion of the Senate President Pro Tempore (Pro Tem) or the Speaker of the House of Representatives (Speaker), or both. **Senator Winder** informed this was a revision of an earlier RS and **S 1080**.

MOTION: **Senator Anthon** moved to send **RS 30451** to print. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

RS 30453 **Relating to Debtors - Amends Section 55-1003, Idaho Code.** **Senator Anthon** explained this legislation related to the homestead exemption, not the homeowner exemption.

MOTION: **Senator Winder** moved to send **RS 30453** to print. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

RS 30460 **Relating to the Terrorist Control Act - Amends Section 18-8101, Idaho Code.** **Senator Anthon** pointed out the revised definition and provision regarding prohibited activities addressed in **RS 30460** as pertaining to the state of Idaho. He identified this legislation related to due process.

MOTION: **Senator Harris** moved to send **RS 30460** to print. **Senator Winder** seconded the motion. The motion carried by **voice vote**.

H 124 **Relating to Voters - Amends Section 34-1113, Idaho Code.** **Senator Herndon** stated that effective on or after January 1, 2024, **H 124** required all voters to provide personal identification (ID) before voting at the polls. One of the following was accepted ID: 1) An Idaho driver's license or ID card issued by the Idaho Transportation Department; 2) a passport or ID, including photograph, issued by an agency of the United States government; 3) a tribal ID card, including photograph; or 4) a license to carry concealed weapons issued under section 18-3302, Idaho Code, or an enhanced license to carry concealed weapons issued under section 18-3302K, Idaho Code. This bill would eliminate the use of student ID cards for voting purposes. **Senator Herndon** provided a handout showing 98.8 percent of voters were identified by their driver's license for the purpose of voting (Attachment 1). In 2022, 104 student ID cards were presented as ID by voters.

Senators Ruchti and **Wintrow** questioned the focus on student ID cards when only 104 people used student ID in order to vote in 2022. They asked for examples of voter fraud. **Senator Herndon** responded that colleges and universities lacked uniformity with the issuance of IDs. He repeated this was about voter integrity and verification of the person's identify. He referenced free government-issued ID, or signing a personal affidavit to vote, and the requirement to obtain a valid Idaho driver's license within 90 days of moving into Idaho. **Senator Bernt** asked if student IDs were not consistent throughout the state since they contained the person's picture and name. He suggested driver's licenses could illegally be altered just like student ID could be altered. **Senator Herndon** reflected on the requirements to obtain a driver's license and noted there were no required documents to get student ID. **Senator Wintrow** expressed concern about adding additional red tape that would discourage young people from voting. **Chairman Guthrie** asked Secretary of State Phil McGrane to address this bill.

Secretary McGrane declared his support for **H 124** and advised of companion legislation (**H 126**) that was coming soon. He said his office was working with the Idaho Transportation Department to align voter ID and registrations. He acknowledged it was rare that student ID was presented to vote. Overwhelmingly, Idahoans used a driver's license as the primary form of ID even on college campuses. He informed student IDs were usually printed on a desktop printer. His goal was to make sure eligible voters were able to vote and knew where to obtain ID. He denied voter fraud in Idaho because of the safeguards already in place and added that county clerks were in support of **H 124**. He concluded he had no evidence of voter fraud related to student ID.

Senator Ruchti agreed data and messaging were important. His concern was that singling out student ID as one form of ID would make it harder for youth to vote. He asked Secretary McGrane for his plan to combat that difficulty. **Secretary McGrane** explained his involvement with community partners to encourage youth voting and answering residency questions. He claimed his office was proactive in educating students about voting, sharing information, and participating in processes to educate them. He stated he did not want to discourage anyone from voting.

TESTIMONY:

The following four individuals electronically registered in support of **H 124**: Jennifer Holmes, Phil McGrane, Daniel Murphy, and Amy Henry. The following people electronically registered in opposition to **H 124**: Emille Jackson-Edney, Lucina Glynn, Bridget Gibson, Amaia Clayton, Kendal Shaber (League of Women Voters of Idaho), Rosaura Albizo, Amelia Crawford, Saumya Sarin, April Frederick, Taylor Wilson, Joseph Howell, Hayden Walters, Stacey Titus, Yvonne Sandmire, Breanne Gratton, Alicia Abbott, and Amy Dundon. Emails were submitted by the following people: Donna Looze, Troy Spreнке, and Frances Voulelis regarding **H 24** (Attachment 2).

Lucina Glynn, a Junior at Bishop Kelly High School, opposed **H 124** as a discouragement of youth to vote. She said by prohibiting the use of student ID it forced young people into a costly method of acquiring new ID. **Senator Winder** asked if Ms. Glynn had a driver's license she used for ID. **Ms. Glynn** acknowledged she did but stated not everyone could afford a driver's license.

Bridget Gibson, a student at Boise High School, said she voted for the first time this year in the mid-term elections. It was her opinion voting should be encouraged and that student ID should be a permitted form of ID. She asked the Committee to vote no on **H 124**.

Amaia Clayton, a Senior at Renaissance High School, opposed **H 124** as a barrier to voting. She believed doing away with student ID for proof of ID to vote would limit students access to voting.

Kendal Shaber referenced **H 126** and expressed concern that removing student ID as proof for voting was detrimental. She claimed many young people lacked resources to get a driver's license. She suggested holding **H 124** in Committee.

Rosaura Albizo, a student at Boise High School, said she did not have a car or a driver's license because of a lack of resources. She reported her 19-year-old brother was also lacking resources for a driver's license. She said he used his student ID to vote and eliminating that form of ID targeted minority community's human rights.

Saumya Sarin, a Freshman at College of Idaho, opposed **H 124**. She believed student ID was secure because she had to provide her Social Security number (SSN), address, and tax documents as proof of ID. To her, requiring additional ID was illogical and a non-solution to a non-problem. Requirements to pay for separate ID was unfair.

Yvonne Sandmire said she heard a bill coming that would ban the use of an affidavit for voting. She stated students were not required to obtain an Idaho driver's license with 30 days of coming here. She referenced a Montana court case in which a judge struck down a similar law as **H 124** and cited the legislation was politically motivated by Republicans. It was her opinion that if Idaho banned the use of student ID for voting, Idaho would be sued and the law would be struck as unconstitutional.

Daniel Murphy asked if he came to Boise State University (BSU) and was still on the voter role in California, could he vote in Idaho? He asked when a student became a citizen of Idaho. While in the United States Navy, he voted absentee in California because that was his residence. He questioned if a student could vote in two states.

Amy Henry shared that most colleges do not ask for residency for their ID. While her son attended college in Kentucky, he could have voted there or in Idaho as absentee. She relayed her childhood was being kicked out of home as a teen. She was resilient and figured things out like how to get a driver's license and how to get ID to vote. She stated that regardless of what life handed someone, they could fend for themselves. If voting was important to a student, he/she could get the ID needed to vote.

Senator Herndon corrected some comments made in testimony and reiterated that he cared about students voting. To claim residency in Idaho, the student needed ID and likely a driver's license. Students could not maintain driver's licenses in other states if they claimed residency in Idaho. He said Idaho had a compelling interest in protecting voter integrity. It did not impose excessive burdens on voters to prove identity. For example, for him to get on a plane he had to present ID for security reasons. He concluded it was reasonable that individuals making critical decisions for our lives would want assurance of voter integrity.

MOTION: **Senator Toews** moved to send **H 124** to the floor with a **do pass** recommendation. **Senator Lee** seconded the motion.

DISCUSSION: **Senator Wintrow** expressed concern about a pending bill or other legislation awaiting consideration. She worried that doing away with the affidavit process would further limit students' ability to vote. She wanted fair elections but took issue with requiring students to leave campus to seek other ID. She failed to see an overarching concern in the country with voter fraud and thought **H 124** was going to great lengths to solve a problem that did not exist. **Senator Ruchti** saw no evidence a bill was necessary or needed just in case something happened. He felt **H 124** targeted student ID without explanation of support for doing so. In his opinion, this was a bad policy. **Senator Toews** voiced support for security reasons and uniformity. He provided an example from his college days where students were caught creating fake IDs. He stressed the importance of making sure student IDs were secure and not fraudulently printed. He stated uniformity of student IDs did not exist school to school. **Senator Lee** said she worked at a community college in another state and knew student IDs were printed at a desk. She recalled all the college did was verify enrollment, not residency or anything else. It was important to her that Idaho residents were authorized to vote in Idaho. **Senator Bernt** noted the strong arguments about different student IDs or other forms of government IDs. He said he supported **H 124** but believed if student IDs were to be eliminated for voting, there needed to be something else in place. He suggested **H 126** should accompany bill **H 124**.

SUBSTITUTE MOTION:

Senator Bernt moved to hold **H 124** for call of the chair. **Senator Wintrow** seconded the substitute motion.

Chairman Guthrie called for a roll call vote. **Senators Ruchti, Wintrow, and Bernt** voted aye. **Senators Toews, Lee, Harris, Anthon, Winder, and Guthrie** voted nay. The motion failed.

ORIGINAL MOTION:

The motion to send **H 124** to the floor with a **do pass** recommendation passed by **voice vote**. **Senators Ruchti** and **Wintrow** requested to be recorded as voting no.

H 58

Relating to School Bond and Levy Election Dates - Amends Section 34-106, Idaho Code. Representative Alfieri explained this legislation would change bond and levy dates for voting. In discussions with stakeholders, he said they supported amending the removal of the August election and leaving the March election dates. He continued that when voters said no, the cause should not be resurrected a few months later. **Representative Alfieri** said it cost counties over a million dollars to run elections. He provided a handout about Idaho's \$1 billion school election on a district-by-district breakdown (Attachment 3). Low voter turnout was one reason some bonds/levies failed and only a small percentage of voters made decisions for the county. He stated many people did not pay attention at the time and some elections were moved by special interest groups so it resulted in a small number of people making decisions.

Senator Ruchti asked if he was suggesting people were not being allowed to vote. **Representative Alfieri** denied that was the case, it was a poor level of awareness of elections and not participating. Some elections generated larger turnouts.

TESTIMONY:

The following individuals electronically registered in support of **H 58**: Jennifer Holmes, Brian Stutzman, Ray Hubbard, Katherine Kula, Angelina Gregory, Daniel Murphy, Brittany Coulson, Amy Henry, and Russ Hendricks. The following individuals electronically registered in opposition to **H 58**: Dale Layne (Idaho Rural Schools Association), Quinn Perry (Idaho School Boards Association), Jan Bayer (Boundary County School District #101) and Alicia Abbott. Written testimony in support of **H 58** was received from Jo Dee Arnold, Joseph Baugh, Melissa Blevins, Lynda Fioravanti, Tricia Fredrich, God's Children, Dianne Herz, Christine Kirby, K. Kno, Linda K., and Ashley Mujagic. Mary Ollie wrote in opposition to **H 58** (Attachment 4).

Dale Layne said he appreciated leaving the March election date because it helped schools plan budgets. A levy election in November would not go to the county for a year, which made budgeting difficult. He felt March was a hard time to vote because farmers were in the fields so August worked best for them. He recognized what worked varied from district to district and encouraged keeping both dates for elections. He reported a supplemental levy required a majority vote, plant majority levies required 55-60 percent, and bond levies required two-thirds.

Brian Stutzman favored this bill because it narrowed elections to four dates. He did not think March and August were necessary. He said Idaho Falls School District put its budget together after the May vote. He recognized March had a lower voter turn out. He urged approval of **H 58** in its original form.

Quinn Perry opposed **H 58**. She said in 2008 elections were consolidated four days to address budgeting and timing, and looked at lower super majority in March. She wanted turnouts for elections and said some school districts were limited as to how to promote elections to operate schools. She noted school district could not extend public funds/resources for bonds and levies. She said they could not buy campaign signs and had to rely on the public's participation. A bond needed to capitalize on interest rates to lock in projects to fund school districts and address facility needs.

Ray Hubbard disliked the dates. He supported **H 58** and commented in agricultural communities March was a terrible month to leave fields to vote and August was worse because of county fairs, planting, and such. He recalled 2019 voter turnout was low for farmers and it was expensive to run single items elections.

Angelina Gregory said she worked seven elections last year and talked about the low number of people who showed up to help or to vote. In a smaller county people did not show up for March elections. It cost a lot to run elections, not to mention the hassle of getting licenses and dealing with inclement weather, which made it harder to get people out to vote.

Jan Bayer opposed **H 58**. She talked about how elections were advertised on websites and in papers. In her area there was a 48 percent voter turnout and 30 percent voter turnout in March. March was important for budgeting purposes related to retaining and recruiting school staff, supporting students and staff, and meeting community needs. She hated to ask for money but supplemental levies were fundamental.

Daniel Murphy argued schools in Idaho wanted a billion dollars in March. He felt the school districts soaked the taxpayers with March and August elections, leaving many Idahoans disenfranchised. He wanted **H 58** moved forward for a full vote.

Brittany Coulson supported **H 58**. She recalled that with little effort in reaching out to people who did not know about bonds, many were educated. She did not think many people were aware of elections and encouraged the Committee to vote yes on **H 58**.

Amy Henry said she moved to Nampa three years ago from Boise. Since then her house payment increased due to bonds/levies, citing a March bond request for \$210 million. She referenced the housing and food costs and did not think this was a time to put out this kind of money. If recalls failed, she stated the taxpayers had to pay the costs. She said that was unfair advantage and asked for support for **H 58**.

Russ Hendricks supported **H 58** on behalf of Idaho Farm Bureau. He said farmers and ranchers paid taxes on their homes and in addition paid the supplementals on farm lands that could be double or more. If the election failed in March it was tweaked and brought back in May. He supported changing the dates.

Representative Alfieri concluded voter fatigue should be addressed and the number of elections reduced.

MOTION: **Senator Toews** moved to send **H 58** to the floor with a **do pass** recommendation. The motion died for lack of a second.

SUBSTITUTE MOTION: **Senator Winder** moved to send **H 58** to the 14th Order of Business. **Senator Harris** seconded the motion.

DISCUSSION: **Senator Wintrow** commented the stress on schools needed to be relieved and she could not support the substitute motion. She wanted to support keeping election dates where they were. **Senator Lee** said she represented many rural school districts governed by elected board members. Locale and control was an issue. She said she could not support either motion. **Senator Ruchti** referenced how Idaho adjusted spending for education and said by 2020 it had not returned to the 2002 levels. He was nervous the legislature was not committed to a new path to help school districts. Pushing elections into dates where other things were on the ballot created different problems. He was in favor of educating people on the differences between levies and bonds, and encouraged a no vote. **Senator Toews** said this was being framed as voting for or against public education. He said this was a vote on whether we have more voters. He believed his constituents made good decisions and he supported the amended order.

VOICE VOTE: The motion carried by **voice vote**. **Senators Wintrow, Ruchti, Lee, and Anthon** were recorded as voting no.

S 1108 **Tobacco Taxes - Amends existing law to provide for a tobacco tax cap of fifty cents per cigar.** **Senator Bjerke** acknowledged a downside to this bill was that it promoted tobacco use. He stated the bill would help small businesses alleviate tax concerns by capping the tax at \$0.50 per cigar. The net effect would be the increase sale of cigars and excise tax. He said the bill removed 1972 and 1994 language that did not pertain to the bill. The tax revenue remained the same and this addressed only cigars, not other tobacco products. He noted Tax Commission offices in neighboring states were enacting similar legislation with no negative impact.

TESTIMONY: The following people registered to testify in favor of **S 1108**: Paul Banducci (The Racketeer Lounge), Tim Wangler (V-Cut Lounge), and Patrick Malloy. Erin Bennett (American Heart Association) registered to testify in opposition to **S 1108**. Letters were received from Randy Johnson (American Cancer Society), Heather Kimmel (American Lung Association), and Glynn Loope (Premium Cigar Association) (Attachment 5).

Paul Banducci (The Racketeer Lounge) testified in favor of **S 1108**. He shared he operated a lounge in Post Falls and believed this legislation would help him more fairly compete with bigger cities and the internet shops. It would mean economic benefit to him and to Idaho.

Erin Bennett (American Heart Association) testified in opposition to **S 1108**. She stated this bill was a parity for tobacco products.

Tim Wangler owned a small retail shop in Nampa. He said competitors sold cigars 40 percent cheaper in other states. He asked for a yes vote for small businesses and to take tax dollars back to the state.

Patrick Malloy asked the Committee to take this out of the tobacco realm. His example was a coffee shop where individual cups of coffee were taxed, which would generate tax revenue. However, people buying pounds of coffee were going out of state to avoid the tax. He said he knew people with large humidors with boxes of cigars purchased out of state. If this bill were to pass, he believed Idaho would experience increased sales.

Representative Alfieri asked that **S 1108** be moved forward. **Senator Wintrow** expressed intrigue at the notion of addressing taxes on the internet sales. She wondered if this would open the door for other businesses as well.

MOTION: **Senator Ruchti** moved to send **S 1108** to the floor with a **do pass** recommendation. **Senator Bernt** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: **Chairman Guthrie** apologized for the lack of time to hear **S 1056**. He stated it would be heard at the Committee meeting on February 27, 2023. There being no further business at this time, **Chairman Guthrie** adjourned the meeting at 10:10 a.m.

Senator Guthrie
Chair

Joyce Brewer
Secretary