

MINUTES  
**SENATE COMMERCE & HUMAN RESOURCES COMMITTEE**

**DATE:** Tuesday, March 07, 2023

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

**PLACE:** Room WW54

**MEMBERS PRESENT:** Chairman Cook, Vice Chairman Lenney, Senators Lakey, Guthrie, Ricks, Foreman, Hartgen, Ward-Engelking, 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 Cook** called the meeting of the Senate Commerce and Human Resources Committee (Committee) meeting to order at 1:30 p.m. He outlined the rules for the meeting and gave a brief overview of the agenda.

**MINUTES APPROVAL:** **Senator Ruchti** moved to approve the Minutes of February 23, 2023. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

**H 24** **WORKFORCE DEVELOPMENT - Amends and adds to existing law to establish the Idaho Launch Grant Program and to revise provisions regarding the In-Demand Careers Fund.** **Senator Lent** stated this bill expanded the existing Idaho Launch Program to high school graduates starting with the class of 2024. Eligible graduates could receive a grant of \$8,500 to be redeemed at a workforce training provider, career technical program, community college, or college of their choice. Preference would be given to students pursuing in-demand careers based on job market data.

**Senator Lent** reported the bill made the following changes to Idaho law: 1) Provided for a sunset for the Opportunity Scholarship program after July 1, 2023; 2) A sunset for the Postsecondary Credit Scholarship July 1, 2023; and 3) Redirected any unused, appropriated Advanced Opportunities credits to the In-Demand Careers Fund.

**Senator Lent** stated this bill leveraged and redirected \$102 million in existing budget capacity for the Idaho Launch Program. Namely, \$80 million annually from the In-Demand Careers Fund as set forth in Idaho Code § 63-3638; and \$22 million in existing budgets freed up from the elimination of the Postsecondary Credit Scholarship and Opportunity Scholarship programs.

**Senator Lent** remarked an investment in training high school graduates would have a positive return for the State within two to five years. This bill provided an opportunity for an Idaho citizen to become self-reliant and successful. He quoted from a Forbes magazine article stating artificial intelligence was changing jobs today and created an increased demand of skilled workers. He noted the U.S. Department of Labor predicted there was a shortfall of over 2 million workers. For employers this meant companies were considering employing a new set of workers referred to as "new collar." This "new collar" was something more than high school, less than a four-year degree, and was an individual who developed the technical skills needed to work in technology jobs through non-traditional education classes. These workers did not have four-year college degrees. The "new collar" worker was trained through community colleges, vocational schools, software, boot camps,

technical certification programs, high school technical education, and on-the-job apprenticeships and internships.

**TESTIMONY:**

The following testified in support of the bill: Alex LaBeau, Idaho Association of Commerce and Industry (IACI); Cally Roach, representing herself; Wendy Johnson, Superintendent, Kuna School District; Mike Daniels, Northwest Lineman College; Michael McGrane, Idaho Nurses Association; Angelie Bauer, College Coordinator, Kuna School District; Liz Hatter, Idaho State Dental Association; Adam Jones, Boise State President and Idaho Born Students; Elizabeth Criner, Food Northwest and J. R. Simplot Company; Aaron Howell, Northwest Lineman College; Allen Hodges, Idaho Trucking Association; Rachele Klein, Republic Services; and Jason Hudson, Idaho American Federation of Labor and Congress of Industrial Organizations (AFL-CIO).

The common theme was this bill was an investment in the future of Idaho, all students would be successful, and provided hope for those who wanted to pursue training, but did not have the means to do so.

The following testified in opposition to the bill: Ronald Nate, Idaho Freedom Foundation; John Silveria, David Leavitt, Daniel Murphy, Dominic Brandon, Lyle Johnstone, Michael Law, and Isabella Schiffler.

The common theme was this bill was costly to the State and taxpayers, apprenticeships were paid for by companies in the past, the bill was socialistic, and the process for selecting companies and students was biased.

**Vice Chair Lenney** asked what Mr. Nate meant by saying the bill was fraught with cronyism. **Mr. Nate** stated that the bill sponsor in the House said that if a big business leader in eastern Idaho needed a welder, they would get one. He noted the owner of the company donated money to the Governor's campaign and two others.

**Chairman Cook** asked Mr. Nate to take a seat as his time was up. Several Committee members objected to Mr. Nate's comments impugning the integrity of the Legislature and the State of Idaho agencies. **Chairman Cook** asked for help from the Idaho State Police to help Mr. Nate take his seat.

Letters of support were received from: Allen Hodges, President and Chief Executive Officer, Idaho Trucking Association; Robert Bennett, Republic Services of Idaho; Roger Shei, Chief of Police, City of Pocatello, Idaho Chiefs of Police Association; Mike Daniels, President, Northwest Lineman College; Mark Murgoitio, Chief Executive Officer, Timber Creek Recycling; Bryan L. Case, Fall River Cooperative, Inc.; Vincent Rossi, Manger of Hiring and Recruiting, Das-Co of Idaho; Andrew Watkins, President Crown Utilities; Anna Rostock, Registered Nurse, President, Idaho Nurses Association; Robert Bennett, Republic Services of Idaho; Timothy Blair, President, American Council of Engineering Companies (ACEC) of Idaho; Kelly Olson, President, Western States Caterpillar; Mountain View Hospital, Idaho Falls Community Hospital, Madison Memorial Hospital, Bingham Memorial Hospital, and Portneuf Medical Center; John C. Wagner, Ph.D., Director, Idaho National Laboratory and President, Battelle Energy Alliance; Sanjay Mehrotra, President and Chief Executive Officer, Micron; Garrett Lofto, President and Chief Executive Officer, Simplot; Lisa Grow, President and Chief Executive Officer, Idaho Power; and Benjamin Davenport, Executive Vice President, Idaho Mining Association.

**DISCUSSION:** **Senator Lent** thanked all of those who participated in the process. He quoted from the Idaho Constitution and stated that in Article 9 the Legislature was directed to establish a system of free schools. It did not say anything about grades or levels. He then quoted the Idaho Republican platform, Article 3, Section 6 and said "we strongly support professional, technical, and continuing education programs that provide career readiness and college preparation."

**Senator Foreman** stated he had problems with the bill. He said he felt this bill redistributed wealth and gave public money for private schools. The private sector should make these decisions and not the government. He said he supported the intentions but would vote nay.

**Vice Chair Lenney** stated he was opposed to the bill. He stated the taxpayers would be burdened with the responsibility and the cost of training. He said the workforce was hand-picked by the Governor and special counsel for private industry. He noted there was no constitutional mandate to provide workforce training for adults. There was a constitutional mandate to provide education for children. He noted this program spent more than the two other programs combined that were eliminated. He cited the Idaho Republican platform and stated government must practice fiscal responsibility and taxpayers should allow the government only the money necessary to provide appropriate functions. He stated the proper role of government was to provide for the people only those critical functions which individuals or private organizations could not perform. He cited the COVID-19 pandemic when many businesses closed, never to open again. He noted this was what happened when government picked winners and losers. He stated this bill was something that was seen in North Korea, Cuba, and Russia. This was not something seen in a free-market economy because in a free-market economy, the allocation of resources and the production of goods and services were determined by supply and demand in the marketplace, not by government planning or control. He encouraged the Committee to vote nay.

**Senator Ricks** remarked there were things he liked in the bill and there were other things he disliked. He expressed a concern that many Republicans on the House side did not vote in support of this bill. He said the bill in its present form needed some work. He questioned whether this was the right kind of plan for Idaho. He said he wanted to see the Idaho business community have a commitment to this program whether it was a scholarship program or something else. He and Senator Lent had a conversation about how this bill helped those in need.

**Senator Lent** noted there was a trailer bill being heard the next day, which was designed specifically to answer questions heard over the last several weeks related to this bill. He said he wanted to see this bill move forward with a "do pass" recommendation. **Chairman Cook** asked if there was anything Senator Lent could share with the Committee about the trailer bill. **Senator Lent** noted the trailer bill addressed having the participant pay a nominal amount for schooling. Several requirements were eliminated, which included room-and-board and a guaranteed education from certain providers. He said the Workforce Development Council (WDC) was established and came from the Idaho Department of Labor.

**Vice Chair Lenney** objected, noting the Committee was discussing **H 24** and not a trailer bill that had not yet been seen. **Chairman Cook** acknowledged Vice Chair Lenney's concerns, but stated the discussion was pertinent to the subject of **H 24**. He said he would allow further discussion.

**Senator Lent** stated this particular piece of legislation was intended to bring more accountability. Every year the WDC would have to provide a report to the Legislature. The report would include who was taking the classes and performance statistics. This bill was meant to be an outcomes-based report. The Legislature would have the opportunity to provide additional appropriation or not, based on the performance of the system.

**Senator Lakey** remarked career-technical careers should be emphasized. He noted he thought the Idaho Constitution primarily addressed K-12. He preferred the money be spent in those areas. He said he had expressed concerns in the past about the WDC since it did not have rulemaking authority. The Legislature did not have the opportunity to review and approve rules with them. He stated he had issues with this bill.

**Senator Hartgen** spoke in support of the bill. She noted this was not a socialist program and she did not think winners and losers were being selected. She said, if anything, winners were being chosen. Every couple of years, in-demand jobs changed. She had received many emails from her constituents in support of this bill. She said community colleges were prepared to do this type of training. She said there was nothing wrong with Idaho schools, but young high school graduates needed help to be successful.

**MOTION:** **Senator Foreman** moved to hold **H 24** in Committee. **Vice Chair Lenney** seconded the motion.

**SUBSTITUTE MOTION:** **Senator Guthrie** moved to send **H 24** to the **14th Order of Business** for possible amendment. **Senator Hartgen** seconded the motion.

**DISCUSSION:** **Senator Guthrie** stated in the Special Session, the legislators made a strong commitment and signaled a strong intent to make a significant investment in education. This passed overwhelmingly, particularly targeting high in-demand careers. The Legislature had to make decisions on what was appropriated and what was appropriate for the State of Idaho as decisions were made on how to further education of students, and a host of other things. Many people had a "leg-up" regardless of what happened in life and this was what this bill was all about. If the workforce was more educated then the citizenry would be more educated. The redistribution of wealth could come in the form of more tax revenue, more innovative procedures, more entrepreneurs, and more ability to be successful with industry and business. The Legislature must have the courage to change the education model in Idaho. This bill was a step in the right direction to try to change and do something creative and innovative, recognizing that not every student wanted to get a bachelor's degree. Some wanted to join the workforce sooner and needed shorter, more intensive training. These students did not have the time commitment or the money to be able to spend four years in college. They did not have the aptitude or the interest, but only wanted to work in the trades. There were some identified fixes in the bill and he said he thought the appropriate measure was to send this bill to the amending order. He said the Committee could reevaluate the trailer bill and also would have the option to amend the bill.

**Senator Ruchti** remarked he preferred to send the bill to the floor with a "do pass" recommendation. He said this bill was a program that gave young people the needed support in order to establish a career or get the education necessary to move to the next phase in life.

**Senator Ward-Engelking** said she reluctantly supported the substitute motion and preferred the bill be sent to the floor to let the Senators vote on the bill. She noted she had a tremendous amount of emails from her constituents in support of the bill. Parents and students wanted this bill and Idaho needed it. She said she would wait

for the trailer bill in hopes this bill was not amended.

**Senator Ricks** stated he did not like the trailer bill idea, but would support amending this bill. He noted too many things could go wrong with the trailer bill.

**Senator Foreman** noted he was not supportive of a trailer bill.

**Senator Lakey** remarked he was open for people to continue to work on this bill to see if there were ways to improve it. He may not support the bill with amendments. He was not in support of the trailer bill. He supported sending the bill to the amending order.

**Vice Chair Lenney** remarked he was not in support of the bill, but would support sending the bill to the amending order.

**VOICE VOTE:** The motion to send **H 24** to the 14th Order of Business for possible amendment, carried by **voice vote**. **Senators Foreman** and **Ricks** asked to be recorded as voting nay.

**ADJOURNED:** There being no further business at this time, **Chairman Cook** adjourned the meeting at 3:18 p.m.

---

Senator Cook  
Chair

---

Linda Kambeitz  
Secretary