

MINUTES  
**SENATE COMMERCE & HUMAN RESOURCES COMMITTEE**

**DATE:** Tuesday, March 14, 2023

**TIME:** 1:00 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) to order at 1:01 p.m.

**Chairman Cook** announced the approval of the Minutes of March 2, 2023 would be moved to later on the agenda.

**MINUTES APPROVAL:** **Senator Hartgen** moved to approve the Minutes of March 7, 2023. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

**GUBERNATORIAL REAPPOINTMENT VOTE:** **Committee Vote on the Gubernatorial Reappointment of Park Price, Public Employee Retirement System of Idaho (PERSI) Board.** **Senator Lakey** moved to send the Gubernatorial Reappointment of Park Price to the floor with the recommendation he be confirmed. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

**S 1167** **WORKFORCE DEVELOPMENT COUNCIL (WDC)- Amends and adds to existing law to establish provisions regarding the Idaho Launch Grant Program (Launch) and the Idaho In-Demand Careers Fund (IICF).** **Senator Lent** explained this bill was a trailer bill to **H 24** to impose sideboards on the Launch. It made several key changes: 1) It enhanced legislative oversight of the Launch to heighten program accountability; 2) it ensured greater "skin in the game" from Launch participants by capping the maximum State match at 80 percent and the maximum grant at \$8,000; 3) it further limited the use of Launch funds to tuition and fees; and 4) it limited the Launch to community colleges and workforce training providers.

**Senator Lent** stated by focusing on community colleges and workforce training providers, the fiscal note dropped from the \$102 million listed on **H 24**, to a maximum of \$80 million, subject to appropriation. The sideboards in this trailer bill further reduce program costs. He noted high school graduates wanted to work. It was important the Legislature invested in people in Idaho to help raise them out of poverty. He noted that currently, there were 3,000 to 4,000 cybersecurity jobs open in Idaho. There were 9,000 open jobs with 1,600 open nursing positions. The current Launch had been in existence for three years. When the program began he said the average person started at \$22,000 a year, which was below the poverty level for a married person with one child. After participating in the program for one year, the annual salary on average advanced to \$38,000 per graduate. The increased annual income moved a graduate out of poverty.

**TESTIMONY:**

**Fred Birnbaum**, Idaho Freedom Foundation, testified in opposition to the bill. He stated the policy premise of Launch and the changes were wrong-minded and reflected cronyism. He said the WDC directed money to young people to choose careers that the WDC selected. He had a problem with the process. He noted it was highly unusual to put a trailer bill up for consideration when the primary bill was in the amending order. He said it would have made more sense to do another Routing Slip (RS). He said the sunset of 2029 was a long way away and this bill was not a major improvement.

**Gordon Jones**, President, College of Western Idaho (CWI), testified in support of the bill. He noted there were 30,000 students in the metro-Boise area. The WDC worked well and served local Idahoans. There were a number of low-cost workforce preparedness programs, and CWI believed that the gap in the economy and the ability to fulfill that with community college education was an incredible opportunity where the talent could be unlocked in Idaho. Sixty-three percent of high school students chose not to go on to college. Affordability was the most difficult challenge for these students.

**John Silveria** signed up to testify remotely but did not respond when called upon.

**Amanda Logan**, Director, External Affairs, College of Eastern Idaho (CEI), Idaho Falls, testified in support of the bill. This bill directed resources and imposed additional sideboards that ensured greater accountability and efficacy. This bill helped to better serve the students who needed it the most in Idaho, helped them obtain family wage jobs, and ensured that tax dollars were used effectively.

**DISCUSSION:**

**Senator Lent** addressed some concerns Committee members had expressed during the meeting. He noted the workforce was the customer of the system. Accountability was the world we lived in. This bill helped future employees move out of poverty and make them productive and self-reliant citizens.

**Senator Ward-Engelking** queried if the opportunity scholarships were left in place. **Senator Lent** stated those scholarships were left in place for four-year academic students. This bill addressed in-demand jobs.

**Senator Ruchti** stated he had similar questions. He referred to the Statement of Purpose, Item number 4, stating it limited the Launch to community colleges and workforce training providers and asked where he could find this information in the bill. **Senator Lent** pointed out this information was on page 2 of the bill, line 21, and noted an eligible institution was defined as a training provider as recognized by the council under the Workforce Innovation and Opportunity Act or the Workforce Development Training Fund.

**Senator Guthrie** commented he was happy with the new State Superintendent of Schools with what seemed to be her directive that the curriculum opportunities be diversified for students coming out of high school. This bill addressed something that helped students. Some students wanted to attend school for a shorter time in order to enter the workforce. Employers invested in institutions of higher learning and donated equipment to high schools and colleges, but could not magically create employees that had the qualifications. This bill approached an important goal for the workforce.

**MOTION:**

**Senator Guthrie** moved to send **S 1167** to the floor with a **do pass** recommendation. **Senator Hartgen** seconded the motion.

**DISCUSSION:** **Vice Chair Lenney** remarked what he heard from Idaho citizens was an overwhelming "no" on this bill. He stated the Committee could not pass this bill as it made no sense. This trailer bill concerned him and created a sense of urgency for legislators. He said he felt like the Legislature had to pass both bills at once. He noted it was not a good practice to have two bills that relied on one another.

**Senator Lakey** emphasized there was a challenge that existed and people were trying to find a solution to the problem. He disagreed with the approach. He supported sending **H 24** to the amending order. He stated the Committee should not approach this bill as a trailer and he was not in support.

**SUBSTITUTE MOTION:** **Senator Foreman** moved to hold **S 1167** in Committee, subject to the Call of the Chair pending the outcome of **H 24**. **Vice Chair Lenney** seconded the motion.

**DISCUSSION:** **Senator Ward-Engelking** noted she had seen several trailer bills during her tenure at the Senate and this was not unusual.

**Senator Ruchti** remarked he was in opposition to the substitute motion. He stated this bill benefitted employers with employees who were committed to their careers.

**Senator Ricks** stated this bill modified **H 24**. He was more in favor of amending the original bill. He liked the substitute motion.

**Senator Guthrie** remarked the trailer bill would come after **H 24**. This bill was an appropriate method. It was important that both bills were staged in the same warehouse. This gave procedural options. He commented on the benefits of this bill. He noted with an increase in wages, a person could be prompted to get further education. This bill created a stepping stone for those who did not want a college degree. If the bill was held in Committee and the main bill was not modified, the trailer bill would not be available. He strongly urged a nay vote on the substitute motion and support from the Committee of the original motion..

**Chairman Cook** remarked the trailer bill process being used was not an exception, but normal. He noted he drove to Caldwell and toured the charter school, Elevate. He said businesses came to the high school and asked what was needed. Because of the donated equipment he saw students learning to be machinists, work on cabinetry, and plumbing. He said it was an amazing experience. Launch helped high school graduates get trained for the jobs in which they were interested. He cited a Freedom Foundation article written a few years ago. The article said college students graduated with the inability to make any money and they were in debt. Launch pointed graduates to jobs that made money. This program was a great opportunity to help students and graduates. Our society was different now. Prices continued to rise. Something needed to be done. The reason there was a sunset clause on the bill was to find out if this experiment worked. The Joint Finance-Appropriations Committee may say Launch did not work and then would not fund. He encouraged the Committee to vote on the first motion.

**Senator Foreman** remarked this program did a lot of good; however, it amounted to public sector funding spent on private sector decisions. He said this idea fell outside of the government. He stated as a legislator he had to concern himself with the constitution. He said tax money was funneled into private purchase decisions. He said **H 24** was in the 14th Order of Business for possible amendment. He was not sure it was a good idea to park **H 24** for a trailer bill.

**Vice Chair Lenney** noted the Committee could hear this bill if it was held at the Call of the Chair.

**Senator Guthrie** commented that it was the taxpayers who built colleges and high schools and the massive infrastructure. We wanted the next generation to be educated and meet the needs of the workforce. Turning out students to be better prepared in the workforce was what mattered the most. He queried, why quit there. He asked for support of the original motion.

**ROLL CALL VOTE  
ON SUBSTITUTE  
MOTION:**

**Vice Chair Lenney** asked for a roll call vote on the substitute motion to hold **S 1167** in Committee, subject to the Call of the Chair, pending the outcome of **H 24**. **Vice Chair Lenney, Senators Lakey, Ricks, and Foreman** voted aye. **Senators Guthrie, Hartgen, Ward-Engelking, Ruchti, and Chairman Cook** voted nay. The motion failed.

**ROLL CALL VOTE  
ON ORIGINAL  
MOTION:**

**Vice Chair Lenney** asked for a roll call vote on the original motion to send **S 1167** to the floor with a **do pass** recommendation. **Senators Guthrie, Hartgen, Ward-Engelking, Ruchti, and Chairman Cook** voted aye. **Senators Lakey, Ricks, Foreman, and Vice Chair Lenney** voted nay. The motion carried.

**MINUTES  
APPROVAL:**

**Senator Ricks** moved to approve the Minutes of March 2, 2023. **Senator Guthrie** seconded the motion. The motion carried by **voice vote**.

**ADJOURNED:**

There being no further business at this time, **Chairman Cook** adjourned the meeting at 1:54 p.m.

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Senator Cook  
Chair

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Linda Kambeitz  
Secretary