

MINUTES
SENATE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Tuesday, February 13, 2024

TIME: 1:30 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Cook, Senators Lakey, Guthrie, Ricks, Foreman, Hartgen, Lenney, 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 1:30 p.m.

PRESENTATION: **Honoring of Page Abigail Spiers.** **Chairman Cook** asked **Ms. Spiers** what she learned while working for the Committee. She stated she learned about government and how amazing it was to see how much detail went into the crafting of a bill.

Senator Lakey asked her what her plans were after high school. **Ms. Spiers** stated this experience had adjusted her plans. She wanted to minor in political science. **Ms. Spiers** noted she was going to major in marine biology. In response from a question from **Senator Guthrie**, **Ms. Spiers** stated her favorite sea creatures were sperm whales and octopi. She thanked the Committee for the experience of being a Page. The Committee presented her with gifts and letters of recommendation.

GUBERNATORIAL REAPPOINTMENT VOTE: **Committee Vote on the Gubernatorial Reappointment of the Honorable Todd Lakey to the State Insurance Fund Board.** **Senator Guthrie** moved to send the Gubernatorial reappointment of the Honorable Todd Lakey to the State Insurance Fund Board to the floor with the recommendation that he be confirmed by the Senate. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT VOTE: **Committee Vote on the Gubernatorial Appointment of Claire Sharp to the Idaho Industrial Commission.** **Senator Ward-Engelking** moved to send the Gubernatorial appointment of Claire Sharp to the Idaho Industrial Commission to the floor with the recommendation that she be confirmed by the Senate. **Senator Ruchti** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT VOTE: **Committee Vote on the Gubernatorial Appointment of Janelle White, Administrator, Division of Human Resources.** **Senator Ward-Engelking** moved to send the Gubernatorial appointment of Janelle White, Administrator, Division of Human Resources, to the floor with the recommendation that she be confirmed by the Senate. **Senator Hartgen** seconded the motion. The motion carried by **voice vote**.

**DOCKET NO.
18-0408-2301**

Individual and Group Supplementary Disability Insurance Minimum Standards Rule (ZBR Chapter Rewrite) - Proposed Rule, p. 177. **Dean Cameron**, Director, Idaho Department of Insurance (IDOI), reported the purpose of this rule was to implement Idaho Code, Title 41, Chapters 21, 22, 34, and 42, to standardize and simplify the terms and coverages of individual and group supplementary disability insurance. Changes were made in response to comments received from interested parties. He noted there were no changes to the pending rule and it was being adopted as originally proposed. Minor changes were made to modernize language.

DISCUSSION: **Senator Lakey** asked if it was part of the Director's responsibility to call out other areas of code. **Director Cameron** stated this was a set precedent and he was satisfied that this was part of the Director's responsibility.

MOTION: **Senator Guthrie** moved to approve **Docket No. 18-0408-2301**. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

**DOCKET NO.
18-0404-2301**

The Managed Care Reform Act Rule (ZBR Chapter Rewrite) - Proposed rule, p. 169. **Dean Cameron**, Director, Idaho Department of Insurance (IDOI), explained the rule implemented the Managed Reform Act (MRA) and defined and established operating procedures. He outlined the red line changes. **Mr. Cameron** explained this rule was a standard process and did not change current operations. The rule was aligned more closely with practice.

DISCUSSION: **Senator Lakey** remarked he still had the same concern of striking the maximum statutory deposit of \$1 million. The challenge was the formula of 50 percent of the amount of the organization's capital fund and the table called out the amounts. Those amounts were minimum amounts, but if the formula stated 50 percent, that could result in more than \$1 million. **Mr. Cameron** stated that was not the intent. The language accomplished what was intended. He noted the IDOI was open to adjustments in the future. The goal was clarity. He remarked any changes made were at the will of the Committee.

Senator Lakey stated if the Committee rejected Section 011, that item could be revisited next year. **Mr. Cameron** stated the rejected section may cause confusion because the definition of the certificate of authority was retained and other requirements were already in code. **Senator Lakey** stated the rejected part of the rule could be narrowed down to Section 011.03, Adjustments.

MOTION: **Senator Lakey** moved to approve **Docket No. 18-0404-2301** with the exception of page 174 Section 011.03. **Senator Hartgen** seconded the motion. The motion carried by **voice vote**.

**DOCKET NO.
59-0101-2301**

Rules for the Public Employee Retirement System of Idaho (PERSI) (ZBR Chapter Rewrite) - Proposed Rule, p. 425. **Mike Hampton**, Executive Director, Public Employee Retirement System of Idaho (PERSI), outlined the changes to two sections of the pending rule. He stated Section 200 was the addition of the words "the definition of" to clarify that the addition to Idaho Code § 59-1302(16), was with respect to the definition of a firefighter. Section 702 had changes to clarify the active member was the member that participated in the active member allocation. The other changes were to correct grammar.

MOTION: **Senator Guthrie** moved to approve **Docket No. 59-0101-2301**. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 59-0201-2301 **Rules for the Judges' Retirement Fund (ZBR Chapter Rewrite) - Proposed Rule, p. 483.** **Mike Hampton**, Executive Director, Public Employee Retirement System (PERSI), stated there was a change to this docket to reflect that the rule was now Rule 2 and not Rule 3. There was also a change to add a new Subsection 59.02.01.010.17 to the pending rule. This addition was missed in the proposed rule and was necessary to accurately reflect service credit. Other changes corrected typographical and grammatical errors.

DISCUSSION: **Chairman Cook** asked where "differential wage payments" was found in the rule. **Mr. Hampton** noted "differential wage payments" did not apply in the Judges' Retirement Fund plan and that was why it was stricken.

MOTION: **Senator Hartgen** moved to approve **Docket No. 59-0201-2301**. **Senator Guthrie** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 24-0101-2301 **Rules of the Board of Architects and Landscape Architects (ZBR Chapter Rewrite, Fee Rule) - Proposed Rule, p. 264.** **Amy Lorenzo**, Bureau Chief, Building Construction & Real Estate, noted text was amended since these rules were published as proposed and purely grammatical and typographical in nature. She outlined the changes. She noted the Board of Architects and Landscape Architects were combined into one board. The board was a new seven-member board representing architects and landscape architects. Exam requirements were changed so applicants were able to schedule exams on a five-year rolling clock. National exam standardized tests were changed to competency-based rather than time-bound.

TESTIMONY: **Peyton Nunes**, American Institute of Architects, spoke in support of this docket. She stated Idaho architects had been active members of the rulemaking process and she appreciated the Board and the Division of Occupational and Professional Licenses' (DOPL) approach to the rules to eliminate regulatory burden and unnecessary language.

MOTION: **Senator Ward-Engelking** moved to approve **Docket No. 24-0101-2301**. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 24-0701-2301 **Rules of the Idaho State Board of Landscape Architects (ZBR Chapter Repeal) - Proposed Rule, p. 278.** **Amy Lorenzo**, Bureau Chief, Building Construction & Real Estate, explained this chapter of rules was being repealed due to consolidation within the administrative rules chapter for the Board of Landscape Architects and the Board of Architectural Examiners under companion Zero Based Regulation (ZBR) Docket 24-0101-2301. There were no changes to the pending rule and it was adopted as originally proposed.

MOTION: **Senator Lakey** moved to approve **Docket No. 24-0701-2301**. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 24-1801-2301 **Rules of the Real Estate Appraiser Board (ZBR) Chapter Rewrite, Fee Rule) - Proposed Rule, p. 280.** **Michelle Bird**, Investigation Program Manager, Division of Occupational and Professional Licenses (DOPL), explained the proposed rule chapter adopted the Practical Application of Real Estate Appraising (PAREA) for the experience requirement of various licensure types. The pending rule added additional clarifying language regarding the application of PAREA in response to comments received during the negotiated rulemaking process.

Ms. Bird outlined the changes in this docket. This included the experience requirement for Licensed Residential Real Estate Appraisers, State Certified Residential Real Estate Appraisers, and State Certified General Real Estate Appraisers. Redundant language regarding classroom hour requirements was removed. Additionally, the total number of continuing education credits allowable for attending a state regulatory board meeting was changed from two to seven

because comments received from stakeholders indicated that two hours was more restrictive than other jurisdictions and seven hours total was the standard number.

DISCUSSION: **Senator Lenney** asked for an explanation of biometrics or something that reflected current practices. **Ms. Bird** noted the previous practice was to have proctoring in person. Now proctoring of exams was done through a virtual environment through the computer.

MOTION: **Senator Hartgen** moved to approve **Docket No. 24-1801-2301**. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 24-2801-2301 **Rules of the Barber and Cosmetology Services Licensing Board (ZBR Chapter Rewrite, Fee Rule) - Proposed Rule, p. 306.** **John Price**, Bureau Chief, Division of Occupational and Professional Licenses (DOPL), outlined the proposed changes. He noted Rules 100.02.e.i. through vi. were being reintroduced after being inadvertently omitted in the proposed rules. To ensure flexibility with emerging technologies, the words "or otherwise approved by the board" were added. Rule 125 was reintroduced after staff realized deletion of its predecessor created additional financial burdens. Rule 150.01.c.ii. was deleted as it was an unnecessary barrier to licensure. The word "haircutter" was removed as a vestigial word from an old practice act. Other corrections included the removal of duplicative and arbitrary language.

DISCUSSION: **Senator Guthrie** and **Mr. Price** discussed why some items were taken out of the rule and put into code and vice-versa. **Mr. Price** stated that DOPL tried to clean that up since both rule and code had duplicative language. **Senator Guthrie** remarked that in the past, the rule was an all inclusive place to look and now people had to look at both the rule and code. He queried if that was making it more cumbersome. **Mr. Price** remarked the rules were pared down, but all was located on the website.

Senator Lakey stated he wanted to make sure the training hours were not burdensome. He remarked he thought the amount of hours required for certified makeup artists seemed excessive. He noted the hours for aestheticians was reduced. **Mr. Price** explained that certified makeup artists were also certified as cosmetologists.

Senator Lakey queried why three restrooms were required. **Mr. Price** pointed out that in the clean version of the rule, only one restroom was required.

Senator Guthrie asked if language was stricken from the rule that included Idaho Code, was the code reintroduced somewhere else. **Mr. Price** stated that on the clean version on page 311 there was a reference to code. **Senator Guthrie** contended that by striking Code, it was making it harder for those using the rules.

MOTION: **Senator Ward-Engelking** moved to approve **Docket No. 24-2801-2301**. **Senator Hartgen** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairman Cook** adjourned the meeting at 2:30 p.m.

Senator Cook
Chair

Linda Kambeitz
Secretary