

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Friday, January 17, 2025

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman Guthrie, Vice Chairman Bernt, Senators Anthon, Harris, Toews, Den Hartog, Adams, and Shippy

ABSENT/ EXCUSED: Senator Ruchti

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 meeting of the Senate State Affairs Committee (Committee) to order at 8:00 a.m..

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointment of Brigadier General Timothy J. Donnellan to Adjutant General of the Idaho Military Division. Brigadier General Donnellan** introduced himself, thanking his family, the U.S. Air Force, and the Idaho Military Division for support and training over the past 30-plus years. The General was deployed five times and commanded continuously for the past 13 years. **The General** stated current military challenges included persistent threats – cyber, economic, and military, both in the homeland and abroad, and the massive costs of modernizing and fielding a full-time federal military force. The Air National Guard was equipped for federal and state missions and operated at roughly one-third of the cost of federal forces.

DISCUSSION: In response to Senator Adams's questions, **General Donnellan** affirmed he supports civilian control of the military and that the military, rather than lobbying, provides advice on military situations.

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointment of Scott Madison to the Idaho Energy Resource Authority (IERA)** to serve a term commencing December 1, 2024, and expiring June 30, 2029. **Mr. Madison** recently retired as vice president and general manager for a gas company, where he worked 30 years. **Mr. Madison** anticipated an increase in activity for the IERA was due to rising energy demand in the region, noting data centers and industry expansion as significant. A focus would be energy generation, by both from privately-held utilities and the public sector.

DISCUSSION: **Senator Harris** asked about the future for nuclear reactors. **Mr. Madison** stated that increased need for base load generation, especially in Oregon and Washington due to regulations limiting carbon-intensive sources, resulted in greater research and development of nuclear options. Also, Oregon and Washington regulatory change resulted in increased pressure on other sources, including gas plants, for all in the Western energy grid. The regulatory changes could also potentially cause increased energy cost and challenge in ability to meet demand. **Chairman Guthrie** requested that Mr. Madison share his perspective on wind and solar energy as a sustainable energy resource for the future. **Mr. Madison** stated he believed in the free market, with cost feasibility rather than government subsidization guiding choices. The cost evaluation should include the lifecycle, a 20-30 year period, with consideration of both economic and environmental impact, including disposal.

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointment of Thomas Mello to the State Building Authority (SBA)** to serve a term commencing September 13, 2024, and expiring January 1, 2029. **Mr. Mello** introduced himself, stating that his work in investment banking focused on issuance of public bonds on behalf of state agencies, together with experience in real estate finance and project analysis, would benefit the SBA.

DISCUSSION: **Chairman Guthrie** inquired about problems Mr. Mello would like to address. **Mr. Mello** cited improving school systems, expanding public buildings for state employees, and addressing future growth areas, with the aim of being ahead of the curve. **Senator Den Hartog** asked about possibility for regulatory reform of building codes. **Mr. Mellow** discussed adequate zoning and addressing land and construction costs to lower housing costs. Tax subsidies could be needed for rent control.

GUBERNATORIAL REAPPOINTMENT: **The Gubernatorial Reappointment of Patricia Perkins to the Treasurer's Investment Advisory Board** to serve a term commencing July 1, 2024, and expiring July 1, 2028. **Patricia Perkins** served as Director of the Idaho Department of Finance (IDF) for the past five years. She brought experience in lending, credit, and human resources from 30 years in commercial banking and also consulting. The IDF met at least quarterly, working with the Treasurer's Office to ensure State funds were held and invested in a safe and sound method. Funds were managed by an outside investment firm.

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointment of Andrew Arulanandam as Director of the State Liquor Division** to serve a term commencing August 23, 2024. **Mr. Arulanandam** shared his work background in Idaho political campaigning, administration, and party leadership, as well as his work in public affairs with the National Rifle Association. The Idaho State Liquor Division (ISLD) provided significant income to the State of Idaho. Primary challenges facing the ISLD included people going out less and younger people using different, illegal substances. **Mr. Arulanandam** recognized that temperance and moderation were written in the Idaho Constitution, which would guide his leadership.

DISCUSSION: **Senator Harris** asked Mr. Arulanandam to share his goals for ISLD. **Mr. Arulanandam** aimed to increase cohesiveness in the data management system to better manage operations. This would be accomplished through collaboration with Idaho Technical Services.

GUBERNATORIAL APPOINTMENT: **The Gubernatorial Appointment of Andrew Arulanandam as Director of the Idaho Lottery Division** to serve a term commencing August 23, 2024. **Mr. Arulanandam** summarized two challenges facing the Lottery. First, ticket sales were on the decline in Idaho because younger people were choosing other gaming options. Also, large jackpots generated greater ticket sales and revenue; in 2024, only one Idaho jackpot exceeded one billion dollars. Second, the Mega Millions consortium, led by larger population areas, increased the per ticket price to \$5. The Lottery Division will work to maximize dividends to the State and schools.

DISCUSSION: **Chairman Guthrie** asked his opinion of the Lottery Fund distribution. **Mr. Arulanandam** stated distribution to education and the Permanent Building Fund seemed prudent and noted that the allocation was at the discretion of the Legislature and the Governor. **Senator Den Hartog** requested his opinion on control and oversight of self-service lottery machines. **Mr. Arulanandam** answered that the machines were positioned in direct line of sight of a person, like a cashier. **Senator Den Hartog** indicated she was aware of an exception and would follow-up outside of the meeting.

GUBERNATORIAL APPOINTMENT VOTE: **The Gubernatorial Appointment of George Lynch to the Idaho Energy Resource Authority** to serve a term commencing December 1, 2024, and expiring June 30, 2029. **Senator Harris** moved to send the Gubernatorial Appointment of **George Lynch** to the Idaho Energy Resource Authority to the floor with the recommendation that he be confirmed by the Senate. **Senator Den Hartog** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL REAPPOINTMENT VOTE: **The Gubernatorial Reappointment of Thomas Wilford to the Idaho Endowment Fund Investment Board** to serve a term commencing March 12, 2023, and expiring April 11, 2027. **Vice Chairman Bernt** moved to send the Gubernatorial Appointment of **Thomas Wilford** to the Idaho Energy Resource Authority to the floor with the recommendation that he be confirmed by the Senate. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

RS 31839 **Relating to Firearms, Explosives, and Other Deadly Weapons.** **Senator Foreman**, sponsor, stated **RS 31839** would repeal Idaho Code § 18-3309, replacing it with a new § 18-3309 prohibiting limitations regarding concealed weapons at public colleges and universities. The new §18-3309 would revoke the authority of governing boards of the colleges and universities to regulate or prohibit otherwise lawful possession, carrying, or transporting of firearms or ammunition by a person possessing a concealed weapon permit issued under Idaho Code. Current Code violated the Second Amendment rights under both the U.S. and Idaho Constitution.

DISCUSSION: **Vice Chairman Bernt** asked how the Code would relate to arenas. **Senator Foreman** answered that restrictions would be removed from those areas.

MOTION: **Senator Shippy** moved that **RS 31839** be sent to print. **Senator Harris** seconded the motion. The motion carried by a **voice vote**.

RS 31840 **Relating to Militia and Military Affairs.** **Senator Foreman**, sponsor, summarized that **RS 31840** would repeal Idaho Code § 46-802, prohibiting a body of men from associating together as a military company or organization, including parading with fire arms. **Senator Foreman** asserted § 46-802 should be repealed for two reasons. First, it violated the First and Second Amendment rights. Second, the Code violated Article 1, Sections 9-11 of the Idaho Constitution, with respect to freedom of speech, the right of assembly, and the right to keep and bear arms.

MOTION: **Senator Adams** moved that **RS 31840** be sent to print. **Senator Shippy** seconded the motion. The motion carried by a **voice vote**.

RS 31874 **Relating to Health, Amending Title 39 of Idaho Code.** **Senator Foreman** summarized that **RS 31874** ensured that the World Health Organization (WHO) would have no jurisdiction or control over the State of Idaho government. Further, no citizens of Idaho would be subject to the terms, conditions, rules, or regulations promulgated by the WHO. Two reasons were cited for WHO reach limitation. First, the WHO's slow response to the COVID pandemic and its opposition to travel restrictions. Second, the WHO's support of misinformation from China regarding virus transmission and its praise of China's claim to transparency. **Senator Foreman** noted the proposed Code would not address any treaty between the U.S. and the WHO, as that fell under the Supremacy Clause of the U.S. Constitution.

DISCUSSION: **Vice Chairman Bernt** asked about consulting the Idaho Attorney General's (AG) office on the legality and effectiveness of this legislation. **Senator Foreman** confirmed he consulted Idaho Legislative Services regarding the treaty aspect. He was willing to consult with the AG and affirmed he valued this legislation as an assertion of the State's rights. **Senator Shippy** requested an example of WHO policy involvement within Idaho. **Senator Foreman** stated that since the WHO works more on the federal level, this was a preventative step.

MOTION: **Senator Harris** moved that **RS 31874** be sent to print. **Senator Anthon** seconded the motion. The motion carried by a **voice vote**.

RS 31877 **Concurrent Resolution: Stating Findings of the Legislature and Authorizing the Legislative Council to Appoint a Committee to Undertake a Study of the State of Idaho's Response to the COVID-19 Pandemic.** **Senator Foreman** stated that **RS 31877** requested that the Legislative Council appoint a committee to investigate the State of Idaho's governmental response to the COVID-19 pandemic, seeking to learn from the past to benefit state planners for the future. Since the pandemic there had been no comprehensive, public, after-action review conducted on the collective actions of the State in response to the pandemic.

MOTION: **Senator Shippy** moved that **RS 31877** be sent to print. **Senator Adams** seconded the motion.

DISCUSSION: **Senator Den Hartog** and **Chairman Guthrie** noted more detail was needed in the Fiscal Note.

VOICE VOTE: The motion carried by a **voice vote**. **Senator Harris** requested that he be recorded as voting nay.

MINUTES APPROVAL: **Senator Anthon** moved to approve the Minutes of January 10, 2025. **Senator Den Hartog** seconded the motion. The motion carried by a **voice vote**.

ADJOURNED: There being no further business at this time, **Chairman Guthrie** adjourned the meeting at 9:07 a.m..

Senator Guthrie
Chair

Kathryn Wells
Secretary