

MINUTES
HOUSE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Wednesday, February 05, 2025
TIME: 1:30 P.M.
PLACE: Room EW05
MEMBERS: Chairman Holtzclaw, Vice Chairman Wisniewski, Representatives Weber, McCann, Cheatum, Healey, Beiswenger, Bruce, Burgoyne, Cayler, Fuhriman, Leavitt, Tanner(13), Egbert, Achilles
**ABSENT/
EXCUSED:** None
GUESTS: The sign-in sheet will be retained in the committee secretary's office; following the end of session the sign-in sheet will be filed with the minutes in the Legislative Library.

Chairman Holtzclaw called the meeting to order at 1:30 p.m.

Jani Revier, Director of the Idaho Department of Labor provided an overview of the department, including highlights about the three divisions with more detailed background on the administration of unemployment insurance since the committee would be considering related legislation. She emphasized unemployment benefits are not intended to be a total salary replacement and is designed to provide assistance as claimants seek other employment. All claimants are expected to look for work and file weekly certification unless their employer intends to bring them back within 16 weeks. The department reclaims overpayments, and can do so for five years. She said Idaho business participation is growing. This has increased the workload; however Idaho is processing claims faster than the national average. She stated Idaho also leads the nation in percentage of job growth at three times the national rate. The state recently crossed the one million workers threshold, but there is a gap between the skills people have and skills Idaho businesses need.

In answer to questions from the committee, **Ms. Revier** stated the labor force participation rate is just over 63%, but it is difficult to determine the exact number of people who are no longer looking for work and are not counted in the unemployment numbers. She explained the length of time the department processes disability determinations spiked during the pandemic and they got behind because the department lost employees due to retirements, but they have recovered faster and are doing better than the national average. She spoke to the growing demand for workers, but Idaho is in better shape than many states because of the number of people moving into the state, which is helping offset the growing number of retirements. She also stated unemployment numbers do not reflect gig workers for a variety of reasons, but primarily because it is considered self-employment.

H 53: **Rep. McCann** presented **H 53**. She stated the bill updates statute as it relates to unemployment fraud. More specifically, it legally defines willfully and knowingly; it increases the penalties and disqualification time for subsequent fraud determinations; defines and distinguishes what is a misdemeanor fraud and felony fraud as defined under the state's criminal statutes; and it adds the crime of identity theft into the statute.

There were several committee questions regarding the inclusion and changes to the definitions of willful and knowingly. **Rep. McCann** called upon **Jani Revier** to respond. She explained the definition of knowingly was not changed, it was just moved within the code, and willfully was further defined based on supreme court case law to provide greater clarification. She stated the bill proposes changing the way felony fraud is determined and adds misdemeanor fraud to the code. The intent is to align with the Idaho code applying to felony and misdemeanor theft.

MOTION: **Rep. Cheatum** made a motion to send **H 53** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. McCann will sponsor the bill on the floor.**

H 54: **Rep. McCann** presented **H 54**, explaining the Department of Labor moved a significant number of its IDAPA rules into statute where it made sense to do so.

MOTION: **Rep. Egbert** made a motion to send **H 54** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. McCann will sponsor the bill on the floor.**

RS 32186: **Rep. Tanner (14)** presented **RS 32186**, which deals with workers compensation and defines what public employer means. He explained current law requires Idaho public entities to purchase their insurance through the State Insurance Fund, or go through the state Treasurer to bond. He explained the proposed legislation will provide a carve-out for certain single purpose districts to purchase worker's compensation insurance in the open market. The RS includes a sunset clause to allow the change to be reviewed.

In answer to questions from the committee, **Rep. Tanner (14)** explained sewer, fire and cemetery districts are examples of the types of specialty districts that would qualify for the exemption, but school districts would not.

MOTION: **Rep. Weber** made a motion to introduce **RS 32186**.

Rep. Weber declared Rule 80, stating he is a member of the State Insurance Fund board.

Rep. McCann stated she supports the introduction of **RS 32186**, but reserves the right to change her vote when the bill is heard.

VOTE ON MOTION: **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:16 p.m.

Representative Holtzclaw
Chair

Wendy Carver-Herbert
Secretary