MINUTES

SENATE JUDICIARY & RULES COMMITTEE

DATE:	Wednesday, February 05, 2025
TIME:	1:30 P.M.
PLACE:	Room WW54
MEMBERS PRESENT:	Chairman Lakey, Vice Chairman Shippy, Senators Ricks, Foreman, Lent, Keyser, Wintrow, Ruchti, and Senator Coho (Lenney)
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 Lakey** called the meeting of the Senate Judiciary & Rules Committee (Committee) to order at 1:30 p.m.
WELCOME:	**Chairman Lakey** welcomed acting Senator Jake Coho who was substituting for Senator Lenney.
MINUTES APPROVAL:	**Senator Foreman** moved to approve the Minutes of January 22, 2025. **Senator Wintrow** seconded the motion. The motion carried by **voice vote**.
GUBERNATORIAL APPOINTMENT VOTE:	**Vote on the Gubernatorial Appointment of David Birch of Meridian, Idaho, to the Sexual Offender Management Board** (SOMB) which commenced on December 6, 2024 and expiring on January 1, 2027. **Senator Wintrow** moved to send the Gubernatorial Appointment of **David Birch** to the floor and be confirmed by the Senate. **Senator Foremen** seconded the motion. The motion carried by **voice vote**.
GUBERNATORIAL APPOINTMENT:	**Committee consideration of the Gubernatorial Appointment of Colonel William Gardiner of Meridian, Idaho, as Director of the Idaho State Police to serve a term commencing August 19, 2024.** **Colonel Gardiner** provided a detailed overview of his experience. His extensive 26 years with the Idaho State Police (ISP), was reflected by his dedication, values, relationships, along with community partnerships. His vision was to ensure that Idaho was in a better place than when it was found.
DISCUSSION:	**Senator Lakey** asked what kind of new challenges might arrive and could the Legislature assist with those needs. **Colonel Gardiner** explained that working together to solve big problems within Idaho would help with new challenges. The State had experienced immense growth. Research noted that once an area reached around 500,000 people, big city problems emerge, various types of crimes and the sheer number of crimes increased. He was prepared to address these future issues. **Senator Ricks** inquired about the capacity of the police force, in correlation to population growth. **Colonel Gardiner** stated that ISP had struggled with recruitment and retention. In Northern Idaho, staff had diminished.

S 1021 **TERMINATION OF A PARENT AND CHILD RELATIONSHIP - Amends existing law to revise provisions regarding conditions under which termination may be granted. Jared Larsen**, Legislative and Regulation Officer, Idaho Department of Health and Welfare, presented the proposed changes formulated to improve child welfare in the State of Idaho. Director Adams, Department of Health and Welfare, focused on the important findings from the Legislative Office of Performance Evaluations (OPE) reports. The goal was to decrease the length of time to obtain permanency. Permanency defined time from when a child was removed from the home until they were either successfully reunited with family or adopted into a family. Idaho's average was 21 months until permanency, by law a minimum would be 15 months. They found in I.C. § 16-2005(8) Simultaneous Adoptions, where a parent relinquished their parental rights and adoption rights were terminated simultaneously. Prior to 2020, the Idaho Supreme Court opinion interpreted State law that adoption could not be administered simultaneous, as it was unconstitutional. The Idaho Department of Health and Welfare proposed to revert to the status quo prior to the Supreme Court decision. This allowed for simultaneous adoptions to take place by the Department of Health and Welfare. A small portion of youth would be affected by this change, but by doing so, increased capacity to reunify families or acquire a permanent loving family for the child.

MOTION: **Senator Ricks** moved to send **S 1021** to the floor with a **do pass** recommendation. **Senator Wintrow** seconded the Motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Chairman Lakey passed the gavel to Vice Chairman Shippy.

S 1030 **ATTORNEYS - Amends existing law to revise attorney license fees. Senator Lakey** introduced **S 1030**, which amended existing law regarding attorney license fees. This legislation would provide a modest increase to annual dues. The Idaho State Bar (Bar) was an organization that oversaw legal practices, continued legal education, and professional rules. The Bar exam was administered by the organization for future attorneys to practice law in the State of Idaho. Bar dues were funded by attorney license fees. The legislation proposed a modest increased fee based upon the attorney's classification status. In 2025, the dues fee increased from $10.00 to $45.00 dependent upon status. In 2026 and beyond, the dues fee ranged from $10.00 to $60.00. Dues had not been adjusted since 2011.

DISCUSSION: **Senator Ricks** concluded since no monies were required from the State, and based on the fact the Bar was self-regulated, he approved of the legislation.

TESTIMONY: **Maureen Braley**, Executive Director of the Idaho Sate Bar, appreciated the opportunity to address **S 1030**. The bill would amend Idaho Code, Section 3-409, increasing the annual license fees paid by Idaho lawyers to the Idaho State Bar. The Bar was self-funded and taxpayer monies were not utilized. The monies were utilized for operations. **Ms. Braley** asked the Committee to send **S 1030** to the **14th Order** of Business to be amended.

MOTION: **Senator Foreman** moved to send **S 1030** to the **14th Order** for possible amendment. **Senator Ricks** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Vice Chairman Shippy passed the gavel back to Chairman Lakey.

S 1042 **RENTAL APPLICATIONS - Adds to existing law to provide for limitations on rental application fees. Senator Rabe** introduced **S 1042** which intended to ensure tenants were charged fewer rental application fees for a rental unit. The applicant would only be charged a rental application fee based on the likelihood of being considered. A rental must be available within sixty (60) days and all criteria must be disclosed for the rental. The bill did not affect landlords that had utilized a service, for example Zillow, where the landlord(s) did not charge a direct fee, nor received a fee directly. **S 1042** would not be applied to a wait list or a rental unit available at a later date. **S 1042** clarified the language contained in the Idaho Landlord Tenant Code.

DISCUSSION: **Senator Shippy** sought clarification of the enforcement mechanism of the legislation. **Senator Rabe** explained that if a potential tenant was being charged an inappropriate fee, they would have an option to file a claim in small claims court to recoup the fee. No attorney would be required.

TESTIMONY: **Lynn Bradescu**, Boise Realty Group, voiced the following concerns and questions to the Committee. Would the number of applications be limited that a tenant could submit to property managers and owners. Who would monitor and counsel the tenant not to submit multiple applications for multiple properties. The sixty (60) day limit was not feasible for their business. Properties needed to be advertised well in advance of vacancies. **Ms. Bradescu** asked about the definition of a reasonable fee. She concluded legislation made the process overburdened and overregulated.

DISCUSSION: **Senator Lakey** inquired what specific language or provision of this bill she would not approve. **Ms. Bradescu** replied the limited number of applications, along with what was a "reasonable fee." **Senator Ruchti** inquired how her office handled the current application process. **Ms. Bradescu** replied one application at a time. If an application falls through, the next applicant would be contacted. **Senator Ruchti** stated that it appeared her office handled one application at a time and her business model would not be impacted. **Ms. Bradescu** stated more regulation was not needed.

TESTIMONY: **Evan Stewart**, Program Director Jesse Tree, briefed the Committee on the role of their organization and cited struggles many individuals faced during the rental application process. **Mr. Stewart** supported **S 1042**.

TESTIMONY: **Daniel Schoenberg** co-owner of Palouse Properties located in Moscow, Idaho, testified in opposition to the bill. He stated his company application process already met or exceeded the bill requirements. The property management company served a large college community. **Mr. Schoenberg** stated that additional administrative processes were burdensome and may lead to increased rental costs. Federal Fair Housing Laws governed application criteria and he questioned whether the State could override the Federal laws. He also expressed concern about the 60 day rule.

DISCUSSION: **Senator Ruchti** asked if Mr. Schoenberg was familiar with proposed amendments to the bill. **Mr. Schoenberg** stated that discussions had taken place, but no amendments had been finalized. When asked if the amendments would address his concerns, he said they might have helped manage the sixty (60) day rule but did not address concerns. **Senator Rutchi** requested further clarification on how tenants and property management companies were affected by fees. **Mr. Schoenberg** explained that application fees covered background and credit checks, and while some landlords may have taken multiple fees unfairly, tenants had recourse through relevant agencies. **Senator Rutchi** inquired about Mr. Schoenberg's application processes and whether he charged multiple fees for already-rented units. **Mr. Schoenberg** confirmed his company charged $40 per adult, primarily covering screening costs, and had not collected unnecessary fees. **Senator Ricks** then asked if Mr. Schoenberg would have been willing to collaborate on refining the sixty (60) day time line. **Mr. Schoenberg** stated that he had already committed to working with Senator Rabe if the bill moved to the amending order but could not support the legislation without seeing the final version.

TESTIMONY IN FAVOR: **Jordan Downey, Tyler Wolters, Sayre Peterson, Kristen Donovan and Spencer Henderson** supported **S 1042** for the following reasons: reduced excessive fees, cases of exploitation, predatory practices, profiteering, and increased evictions. It reduced multiple fees that would alleviate financial strains within the community. The common consensus was that **S 1042** had met and exceeded industry standards.

TESTIMONY AGAINST: **Thad Butterworth**, represented the ADA County Republican Party and **Onail Isho** opposed **S 1042** for the following reasons: legislation addressed outward problems but had not addressed the root cause, and education for the public was not provided, education allowed for corrupt actions to be easily identified, lacked consequences for violators, and federal regulations should be applied.

DISCUSSION: **Senator Lent** inquired if Mr. Wolters was aware if exploitation had occurred. **Mr. Wolters** acknowledged there was. **Senator Lent** asked Mr. Butterworth about tenant exploitation. **Mr. Butterworth** stated there was not competent data supplied.

TESTIMONY: **Spencer Henderson**, Legislative Chair for the National Association of Residential Property Managers, Southwest Idaho Chapter. **Mr. Henderson** operated and managed 600 units located in the Boise area. Senator Rabe and he collaborated on the draft of this bill.

DISCUSSION: **Senator Rutchi** asked Mr. Henderson to clarify if he operated 600 rental units, and was that considered a large scale property management company. **Mr. Henderson** noted his operation was lesser in scale, 80% were single family units. **Senator Rutchi** inquired if it was burdensome to oversee and process applications for this many properties. **Mr. Henderson** stated a property manager was not limited to the number of applications that could be accepted. Applications were processed on a case by case basis. If the first applicant met requirements, then the remainder of applications were returned to the other applicants to use toward their next rental. **Senator Wintrow** asked if he was currently a property manager and he indicated he was not. She requested Mr. Henderson to clarify held applications. **Mr. Henderson** noted an application could be held as long as the applicant was notified they were placed on a wait list. **Senator Keyser** requested clarification in regards to acceptance and returned

applications. **Mr. Henderson** responded all applications may be held until the screening process was completed. The potential tenants were notified if they had been placed on a wait list and the applicant had forfeited the fee. **Senator Keyser** confirmed with Mr. Henderson that he had collaborated on the bill with Senator Rabe and familiarized himself with the contents. **Mr. Henderson** noted the bill allowed for the fees collected to be used for various background checks, income credit scores and rental preferences.

DISCUSSION: **Senator Lakey** acknowledged the Committee was not able to hear all the registered testimony. Six remained unheard, but were in favor.

Senator Rabe noted this legislation was a bipartisan bill, intended to protect consumers, assist marginalized Idaho residents, and limit the most harmful landlords. The bill was used to assist low income individuals obtain housing. The enforcement mechanism was through small claims court and there were no rules in regards to rental application fees. **Senator Rabe** agreed that **S 1042** should be sent to the 14th Order for amendment and addressed the sixty (60) day issue, fees landlords had charged or received to be exempted from statute, but not from federal law, and fee amounts be related to actual costs.

Senator Shippy indicated the enforcement mechanism was small claims court. He asked how the transactions were handled and how they will be monitored. **Senator Rabe** stated currently there were no rules governing rental application fees. There was no enforcement mechanism in place. The prospective tenant could take the landlord to small claims court to recoup the inappropriately charged fee.

MOTION: **Senator Ricks** moved to send **S 1042** to the 14th Order for possible amendment. **Senator Lent** seconded the motion.

SUBSTITUTE MOTION: **Senator Foreman** moved to hold **S 1042** in Committee, subject to the call of the Chair. **Senator Lakey** seconded the motion.

ROLL CALL VOTE: **Chairman Lakey, Vice Chairman Shippy and Senator Foreman** voted aye. **Senators Ricks, Lent, Lenney, Keyser, Wintrow,** and **Ruchti** voted nay. The **motion failed**.

ROLL CALL VOTE: The motion to send **S 1042** to the 14th Order for possible amendment carried by **voice vote**. **Senators Ricks, Lent, Lenney, Keyser, Wintrow,** and **Ruchti** voted aye. **Chairman Lakey, Vice Chairman Shippy** and **Senator Foreman** voted nay.

NOTE: Due to time constraints **S 1043** was moved to a later Committee meeting.

ADJOURNED: There being no further business before the Committee, **Chairman Lakey** adjourned the meeting at 3:05 p.m.

_____

Senator Lakey
Chair

_____

Sharon Pennington
Secretary

_____

Ann Yanak
Assistant Secretary