

MINUTES  
**SENATE COMMERCE & HUMAN RESOURCES COMMITTEE**

**DATE:** Tuesday, March 03, 2026

**TIME:** 1:30 P.M.

**PLACE:** Room WW54

**MEMBERS PRESENT:** Chairman Foreman, Vice Chairman Lenney, Senators Lakey, Guthrie, Nichols, Bernt, Zito, 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 Foreman** called the meeting of the Senate Commerce and Human Resources Committee (Committee) to order at 1:30 p.m.

**MINUTES APPROVAL:** **Senator Zito** moved to approve the Minutes of February 24, 2026. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

**GUBERNATORIAL REAPPOINTMENT:** **Committee Consideration of the Gubernatorial Reappointment of Jeff Cilek of Boise, Idaho, to the Public Employee Retirement System of Idaho (PERSI) Board to serve a term commencing July 1, 2025 and expiring July 1, 2030.** **Mr. Cilek** briefly reviewed his background and noted that his information had already been submitted to the Committee.

**DISCUSSION:** **Senator Lakey** asked Mr. Cilek what he envisioned for the future of PERSI. **Mr. Cilek** stated that PERSI benefited from stability and remained well-funded. He remarked that PERSI operated under a solid statute. He suggested that PERSI should continue in the same direction, focusing on "singles" rather than big swings.

**Chairman Foreman** stated the Committee would vote on Mr. Cilek's reappointment at the next meeting.

**H 543** **Public Employee Retirement System of Idaho (PERSI) - Amends existing law to revise provisions regarding qualified pre-tax contributions and investment earnings and certain qualified Roth contributions and investment earnings.** **Representative Fuhrman** explained this bill brought PERSI into compliance with the Federal Secure Act 2.0 by changing language around its 401(k) "Choice" plan. Original federal guidance required allowing after-tax contributions. He noted subsequent clarification required those contributions to be Roth contributions. This legislation updated the statute to specify Roth contributions in the PERSI 401(k) plan.

**TESTIMONY:** **Mike Hampton**, Executive Director, PERSI, explained the bill was simply a technical correction from post-tax to Roth contributions.

**MOTION:** **Senator Ward-Engelking** moved to send **H 543** to the floor with a **do pass** recommendation. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

H 563

**CERTIFIED PUBLIC ACCOUNTANTS - Amends, repeals, and adds to existing law to revise provisions regarding the licensure of certified public accountants.** Senator Nichols introduced Representative Ehlers. Representative Ehlers explained that under current law, to become a Certified Public Accountant (CPA) in Idaho, candidates needed 150 credit hours, one year of experience, and to pass the CPA exam. He noted there was a workforce crisis due to the retirement of approximately 70 percent of CPA's within the next 15 years. Over the last decade, CPA exam candidates had declined by about 30 percent.

Representative Ehlers stated that this legislation created three pathways. 1) the existing pathway or 150 credit hours plus one year of experience. 2) the master's pathway or a master's degree plus one year of experience, and 3) a bachelor's degree plus two years of experience. He emphasized that the exam remained rigorous including four parts, at four hours for each test. Roughly 20 percent of candidates passed all four parts on the first attempt. This bill also simplified reciprocity, making it easier for CPA's from other states to practice in Idaho, especially with remote work.

TESTIMONY::

Ken McClure, Idaho Society of CPA's, noted he had drafted the 1993 law that added the fifth year (150 hour requirement) and that this legislation essentially repealed his own earlier work. He explained that, nationally, the profession tried to raise educational standards by adding a fifth year, but this had not worked in practice and had contributed to human-power shortages. He urged a return to pre-1993 standards and noted that many states had already changed or were changing in the same direction. He was in support of the bill (Attachment 1).

Laura Lantz, Executive Director, Idaho Society of CPA's, strongly supported the bill. She framed the bill as giving flexibility and options to Idaho students with different learning styles and life situations. She said she was proud this change was happening during her tenure and believed it would strengthen the pipeline of future CPA's.

MOTION:

Senator Lakey moved to send H 563 to the floor with a do pass recommendation. Senator Ward-Engelking seconded the motion. The motion carried by voice vote.

S 1310

**HUMAN FETAL TISSUE - Adds to existing law to establish provisions regarding the use of human fetal tissue in products.** Senator Toews explained this bill would require labeling on products sold in Idaho if:

- Human fetal tissue was used or
- Biological derivatives were used from human fetal tissue or
- When fetal tissue was used in research, development, production, or testing of the product

The key components were:

1. Labeling requirement - products using ingredients or additives, or subjected to predeceases, involving human fetal tissue would need an explicit label stating this.
2. Scope - applied to vaccines and medical products, a well as other products (including cosmetics, food, and skin care) when the final product, its components, or specific lots or batches were tested or developed with human fetal tissue.

3. Liability - manufacturers would be held strictly liable for violating labeling requirements. Retailers would be liable only if they had actual knowledge that labeling was required and failed to ensure it.
4. Enforcement - the Idaho Attorney General would have authority to investigate and seek injunctive relief and civil penalties (including up to \$5,000 or 5 percent of gross revenue).
5. Affirmative defenses - Consumer notification. Defense if consumers were clearly informed at point-of-sale online or in person. Manufacturer compliance programs - defense if robust compliance policies were in place and followed. Retailer good faith - defense if the retailer reasonably relied on the manufacturer's labeling. Being an out-of-state entity would not be a valid defense.
6. Definitions - the bill defined human fetal tissue and related terms.

**Senator Toews** indicated he had definition-clarification amendments he wanted to pursue on the amending order. He yielded his time to Allison Jarnagan.

**TESTIMONY:**

**Allison Jarnagan**, representing herself, compiled substantial materials on the use of fetal cell lines (Attachment 2). She described industry uses of fetal cell lines used in food flavor testing cells converted to taste receptors, cosmetics and skin care, and vaccines and medicines. She argued current label terminology, for example, obscured cell line codes and technical names, had kept the fetal origin from typical consumers, and failed informed consent standards. She emphasized that many people did not know these practices were occurring and that clear labeling would help those with ethical or religious objections avoid such products.

**DISCUSSION:**

**Vice Chairman Lenney** queried if the bill applied only to aborted fetal tissue or all fetal tissue and how could anyone reliably determine whether a cell line originally came from an abortion versus a non-abortion source. **Ms. Jarnagan** stated that in the majority of the products one cannot tell.

**Senator Guthrie** acknowledged that Ms. Jarnagan stated she represented herself, but questioned her connection to the handouts that showed she represented more than herself. **Ms. Jarnagan** explained she was a mother who did her own research because she wanted to know what was going on.

**Senator Ward-Engelking** remarked that Idaho would need a special label and that most of the labeling of products went through the United States Food and Drug Administration (FDA). She stated this bill seemed more restrictive than the federal requirements. **Ms. Jarnagan** noted she was not sure. **Senator Toews** responded if this bill passed it required a change in the labeling. Currently, the concern was what was in use now, which was deceptive terminology, and the labeling could be in addition. **Senator Ward-Engelking** stated this sounded like an additional cost to the manufacturers. **Senator Toews** noted there was not much of a cost to add labels. This bill would inform people who may not be happy due to the lack of transparency

**Senator Bernt** remarked if these labels from these medications were under the purview of the FDA, he wondered if there was anything in writing from the FDA that this bill suggested it was practical and specific to Idaho and practical for companies to provide more transparency in labeling. **Senator Toews** remarked the State could go beyond the federal law, but could not replace it.

**Senators Ruchti and Toews** discussed how the labeling requirement differed from normal consumer protection, and how would a consumer, a manager, or a

clerk actually know what was in the product. **Senator Toews** stated that was left up to a company's upper ownership knowledge since they decided what products were to be placed on a shelf.

**Senator Lakey** remarked this bill appeared to be part of a larger perspective. He queried if this bill was modeled after other legislation in other states. **Senator Toews** replied it was not. He was trying to have transparency. **Senator Lakey** noted the State of Idaho could not control federal regulations. He asked whether the items listed on the label were things people actually understood. **Ms. Jarnagan** stated those items were included, but she did not know where they came from.

**Vice Chairman Lenney** queried if this bill passed how were these requirements going to be enforced. **Senator Toews** referred to Attachment 2 and noted when the Attorney General had a belief there was a violation, he could prosecute.

**Senator Guthrie** and **Senator Toews** discussed adding a burden to businesses, how punitive the consequences of violating this bill were, the fiscal note, this bill had costs to the State associated with it, and the goal to add transparency.

**Senator Ward-Engelking** noted the Attorney General's Office was funded out of the General Fund. She stated she had a concern about the cost of additional labeling. She pointed out that some of the information provided came from a blog and not a scientific research firm.

**TESTIMONY:**

**Kyle Jarnagan**, representing himself, testified in support of this bill. He spoke from a pro-life and human-rights perspective, saying many people wanted nothing to do with aborted fetal tissue. He claimed that 99 percent of people he talked to were unaware of the scope of fetal cell use in products. He asserted that government already used labels for consumer protection, and that requiring clear fetal tissue disclosure was an extension of that role. He cited *Zauderer versus the Office of Disciplinary Counsel* (U.S. Supreme Court) as support for state-mandated disclosure of factual non-misleading information in commercial speech.

**Senator Ruchti** queried why should the government put the onus on businesses to clarify those issues. **Mr. Jarnagan** remarked people could not make a decision unless they know what was in a product. **Mr. Jarnagan** stated products needed to be tested to see if they were safe. It was the job of the government to see that people were protected. **Senator Ruchti** stated he thought they were talking about a moral issue. **Mr. Jarnagan** stated that was why the FDA was mentioned because the State could go above and beyond. **Senator Ruchti** queried whether the State should mandate disclosure of moral information in the marketplace and where that might stop, for example, religious identity of manufacturers.

**DISCUSSION:** **Senators Guthrie, Ward-Engelking, and Bernt** questioned how the Attorney General's Office would determine compliance, for example, tracking global supply chains and historical cell lines from the 1960's. They discussed whether the Consumer Protection Division had the capacity or expertise to enforce these requirements without new resources, despite the bill's "no fiscal impact" claim. They also discussed how doctors and hospitals would be affected and whether they or pharmacists would incur new legal exposure when using or prescribing labeled products, especially in emergent situations. Concerns were expressed that the bill would create additional regulation and potential penalties for manufacturers and retailers, while the state-level enforcement architecture remained vague.

**Senator Ward-Engelking** worried about the cost and complexity of requiring Idaho-specific labels or parallel product lines for national manufacturers. She was also concerned whether Idaho was effectively attempting to regulate nationwide markets from one state. **Senator Toews** responded that the actual printing cost of extra label text was negligible. He stated many companies might simply standardize the label nationally if Idaho adopted the requirement.

**TESTIMONY:** **Joshua Darrow**, of Meridian, representing himself, testified in support of the bill. He stated the bill was about transparency. He noted Idaho families needed to know how products were tested. People should be well-informed. He said the bill was fair and balanced and respected human dignity.

**Grace Howett**, Policy Analyst, Idaho Family Policy Center, testified in support of the bill. She stated consumers did not know what to avoid. This bill empowered families. **Senator Ruchti** explained he heard about companies that provided services and they advertised as being a "Christian" company. He queried was the logical question about whether to make a company disclose whether they were Christian. **Ms. Howatt** and **Senator Ruchti** discussed provisions in the bill that required companies to disclose specific moral and conscious-based labels that would neatly fall into existing Supreme Court doctrine with possible litigation and overreach.

**DISCUSSION:** **Senator Toews** reiterated that the bill aimed to provide transparency to consumers who cared deeply about how products were developed and tested. He noted that he had definition-refinement amendments ready and requested the bill be sent to the amending order, rather than being killed outright. He suggested that with Genetically Modified Organisms (GMO) labeling, Idaho could be part of a broader national change by acting at the state level.

**MOTION:** **Senator Nichols** moved to send **S 1310** to the 14th Order of Business for possible amendment. **Senator Zito** seconded the motion.

**SUBSTITUTE MOTION:** **Senator Ward-Engelking** moved to hold **S 1310** in Committee. **Senator Guthrie** seconded the motion.

**DISCUSSION:** A discussion ensued among the Committee members stating reasons, which included not having heard from key stakeholders (retailers and the medical community). Concerns were expressed over federal pre-emption, enforcement practicality, and litigation risk. There was a desire to see any amendments in advance, rather than sending a contentious bill to the 14th Order. **Senators Bernt** and **Guthrie** voiced that they agreed with the underlying ethical concern and desire for transparency, but believed this particular bill could not realistically work at the State level or would be pre-empted or unmanageable.

**ROLL CALL  
VOTE ON THE  
SUBSTITUTE  
MOTION:**

**Chairman Foreman** called for a roll call vote. **Senators Guthrie, Bernt, Ward-Engelking, Ruchti,** and **Vice Chairman Lenney** voted aye. **Senators Lakey, Nichols, Zito,** and **Chairman Foreman** voted nay. The motion to hold **S 1310** in Committee carried.

**ADJOURNED:**

There being no further business at this time, **Chairman Foreman** adjourned the meeting at 2:55 p.m.

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Senator Foreman  
Chair

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Linda Kambeitz  
Secretary