

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Wednesday, March 25, 2026

TIME: 7:00 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 7:00 a.m.

MINUTES APPROVAL: **Senator Adams** moved to approve the Minutes of March 16, 2026. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Den Hartog** moved to approve the Minutes of March 17, 2026. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

RS 33798 **Procurement, Contract Modifications.** **Senator VanOrden** said this legislation addressed cooperative and group discount purchasing within the Department of Administration's Division of Purchasing. She explained there were gaps and discrepancies found in the current process which this addressed.

MOTION: **Senator Shippy** moved to send **RS 33798** to print. **Vice Chairman Bernt** seconded the motion. The motion carried by **voice vote**.

S 1422 **CAMPAIGN FINANCE - Amends, repeals, and adds to existing law to provide for campaign finance transparency.** **Senator Harris** said this legislation would modernize and replace outdated campaign finance laws in order to improve transparency, clarity and enforcement. He explained this would separate and reorganize campaign finance and lobbying rules and created more clear reporting requirements. **Phil McGrane**, Idaho Secretary of State, explained this would provide distinct definitions for key practices and address gaps in co-mingling funds and donation timelines. **Secretary McGrane** believed this updated enforcement by increasing contribution limits and proportional fine implementation based on the severity of the violation. He believed these were necessary improvements.

DISCUSSION: **Senator Den Hartog** asked Secretary McGrane to speak on concerns regarding the truthfulness of campaign advertising and how that was addressed in this legislation. **Secretary McGrane** said this would not regulate the truthfulness of ads as that was addressed in a separate piece of legislation. He explained the focus was on transparency and clear reporting and not on regulating speech content. **Senator Adams** asked for clarity on a section of this legislation regarding violations. **Secretary McGrane** noted that language surrounding penalties was mostly unchanged from current law as the main update was how fines were calculated. He said this provision was developed alongside the Attorney General's Office and that it was a catch-all that covered any gaps left in enforcement. **Senator Shippy** asked Secretary McGrane if the 48-hour reporting window of \$1,000 or more for candidates remained the same. **Secretary McGrane** said that would remain the same for candidates but noted that the amount varied from \$1,000 to \$1,500 for different elected officials.

- MOTION:** **Vice Chairman Bernt** moved to send **S 1422** to the floor with a **do pass** recommendation. **Senator Anthon** seconded the motion.
- DISCUSSION:** **Vice Chairman Bernt** emphasized the desire Idahoans had to receive election and campaign transparency. He thanked Senator Harris and Secretary McGrane for their effort in developing this legislation.
- VOICE VOTE:** The motion to send **S 1422** to the floor with a **do pass** recommendation carried by **voice vote**.
- H 889** **STATE PROCUREMENT - Amends, repeals, and adds to existing law regarding the procurement of property by the State of Idaho. Representative Britt Raybould** explained this legislation improved procurement clarity and fairness by standardizing bid processes, requiring transparent scoring, implementing use of subjected matter experts, and defining key terms. She believed this strengthened accountability because it allowed consideration of past performance of vendors, created debarment rules, set disclosure requirements for procurement spending, and added protest bond requirements. **Representative Raybould** shared that this would streamline the process and substantially reduce possible risks.
- DISCUSSION:** **Senator Adams** asked Representative Raybould what her motivation was for developing this legislation. **Representative Raybould** detailed how the idea for this legislation formed, and emphasized her goal was to fix this process so it worked better for Idaho and taxpayers. **Senator Adams** asked Representative Raybould who decided if an argument was good faith or lacked an arguable basis in law. **Representative Raybould** explained that there was a review process in place carried out by the division administrator.
- MOTION:** **Senator Adams** moved to send **H 889** to the floor with a **do pass** recommendation. **Vice Chairman Bernt** seconded the motion. The motion carried by **voice vote**.
- H 890** **STATE GOVERNMENT - Amends and repeals existing law relating to the sale, transfer, or disposition of state administrative facilities. Representative Britt Raybould** shared that the legislation addressed issues that arose from the sale of the Idaho Transportation Department building and closed a loophole in state law regarding how surplus state property was handled. She explained this legislation restored and clarified the standard process which placed property disposal under the authority of the State Board of Land Commissioners.
- MOTION:** **Senator Harris** moved to send **H 890** to the floor with a **do pass** recommendation. **Senator Den Hartog** seconded the motion. The motion carried by **voice vote**.
- H 900** **STATE AFFAIRS - Amends and adds to existing law to revise provisions regarding agreements by state agencies, to exempt certain records from disclosure, and to establish provisions regarding private insurance coverage and claims for state property. Representative Britt Raybould** said this legislation created a clear process for handling large insurance claims of over \$100,000, including appraisal requirements, public notice of settlements, and transparency through the Idaho State Controller's Office. She believed this improved accountability as it required public hearings and legislative notice when damage led to agency relocation, property sale, or service change.
- MOTION:** **Senator Harris** moved to send **H 900** to the floor with a **do pass** recommendation. **Senator Adams** seconded the motion. The motion carried by **voice vote**.

H 898

STATE HISTORIC PRESERVATION OFFICER - Amends, repeals, and adds to existing law to provide for the State Historic Preservation Officer. **Senator Den Hartog** said this legislation would move the State Historic Preservation Office (SHPO) into the Office of Species, Minerals, and Energy Coordination (OSMEC). She explained the goal was to improve unification and create a one-stop approach to navigating federal permitting. **Senator Den Hartog** emphasized that this would not change the core functions or staffing of SHPO but would shift its placement to enhance collaboration and strengthen Idaho's voice in federal decision-making.

TESTIMONY:

Bob Reinhardt, of Boise, Idaho, **Brittney Scigliano**, representing Preservation Idaho, **Dan Everhart**, of Boise, Idaho, **Kayla McElreath**, of Boise, Idaho, **Alexis Matrone**, of Garden City, Idaho, **Tony Edmondson**, representing Weiser and Washington County Historical Preservation Commission, **Clara Scigliano**, of Boise, Idaho, **Frank Eld**, of Boise, Idaho, **Shauna Robinson**, representing Preservation Idaho and the Twin Falls County Historical Preservation Commission, **Janet Keegan**, representing Friends of Minidoka, **Chelsee Boehm**, of Caldwell, Idaho, **Shannon Sardell**, of Couer d'Alene, and **Justina Lindgreen**, representing the National Trust for Historic Preservation, testified against **H 898** for the following reasons:

- Concern that this transition would diminish the work of SHPO;
- Belief that the current system was successful and change was unnecessary;
- Worry about uncertainty this legislation created;
- Belief that this transition would cause confusion and inefficiency;
- Concern that this legislation undermined Idaho's leadership and credibility in historic preservation.

DISCUSSION:

Senator Shippy asked Mr. Reinhardt what he anticipated the impact of passing this legislation would be. **Mr. Reinhardt** argued that moving SHPO would dilute its mission and believed this transition would misalign the mission and the function of these offices. **Senator Shippy** asked Mr. Everhart what would be detrimental for SHPO if this move took place. **Mr. Everhart** believed this would be a major conflict of interest and the priorities of SHPO would be over-shadowed by the interests of the agency that oversaw it. **Vice Chairman Bernt** referred to Ms. McElreath's comment about working for SHPO but not testifying on their behalf and asked Ms. McElreath what she believed her boss would think about this. **Ms. McElreath** revealed she and her peers were specifically asked not to participate in debate regarding this legislation but she couldn't speak to the director's personal feelings. **Vice Chairman Bernt** asked Mr. Eld why he believed this move would cause historic preservation efforts in Idaho to cease. **Mr. Eld** clarified that he did not think efforts would cease, but that his concern was the conflict of interest created. **Vice Chairman Bernt** asked Mr. Eld to expand on the conflict of interest he referred to. **Mr. Eld** proposed a hypothetical situation where a mining company overseen by OSMEC wanted to develop or explore historically preserved land. He believed this was just one scenario where a conflict of interest could arise that would endanger SHPO's mission.

TESTIMONY: **Paul Arrington**, representing the Idaho Water Users Association, and **Will Hart**, representing the Idaho Consumer Owned Utilities Association, testified in favor of **H 898** for the following reasons:

- Belief that processes and statutory requirements of SHPO remain unchanged regardless of the administrative move.
- OSMEC was designed to serve as a central hub for federal permitting coordination;
- Belief that federal law compliance and procedural integrity would remain intact.

DISCUSSION: **Senator Shippy** asked Mr. Arrington if he believed this would improve water projects in Idaho. **Mr. Arrington** said that water projects often triggered compliance issues because facilities were federally-owned, used federal funds, or crossed federal lands. He explained that this would benefit water projects in Idaho by streamlining the process and relying on a centralized office to coordinate these processes efficiently. **Senator Shippy** noted an example of an issue farmers in his district had with federal grant processes and asked if that was similar to what he meant. **Mr. Arrington** said yes and that this was an opportunity to make the process better for everyone. **Senator Adams** asked Mr. Hart to provide an example of how the system wasn't working well currently. **Mr. Hart** explained that he heard from his organization that customer service at SHPO declined and that it was hard for them to receive help or guidance.

Senator Den Hartog closed the discussion by emphasizing that this legislation would not take away the Gubernatorially-appointed SHPO officer or the State Historic Preservation Review Board, and would not change SHPO's federally mandated duties. She stressed that this was a simple administrative move and would not impact the work or mission of SHPO. **Vice Chairman Bernt** asked Senator Den Hartog to clarify again that this would not change SHPO's process and was not a money-motivated move. **Senator Den Hartog** said that was correct. **Senator Anthon** asked Senator Den Hartog if this legislation would affect the review process for the Lava Ridge Wind Project. **Senator Den Hartog** said she didn't think so and believed this administrative transition would actually give Idaho a stronger, united voice with federal agencies.

MOTION: **Senator Harris** moved to send **H 898** to the floor with a **do pass** recommendation. **Senator Adams** seconded the motion.

DISCUSSION: **Senator Shippy** expressed that he was conflicted on whether or not this legislation was good for Idaho and was not able to support the motion.

VOICE VOTE: The motion to send **H 898** to the floor with a **do pass** recommendation carried by **voice vote**. **Senator Shippy** voted nay.

RS 33791 **Medical Cannabis, Ballot.** **Senator Toews** explained this resolution urged Idahoans to reject efforts to bring the Medical Cannabis Act to the the ballot in November of 2026. He detailed health risks associated with marijuana use and emphasized the fact that the Idaho Legislature had rejected several attempts to legalize the substance in the past.

MOTION: **Senator Den Hartog** moved to send **RS 33791** to print. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Chairman Guthrie passed the gavel to Vice Chairman Bernt.

H 911 **PUBLIC UTILITIES - Adds to existing law to provide for new large loads.** **Chairman Guthrie** said this legislation ensured that customers that required large amounts of electricity took responsibility for the infrastructure build-out needed to serve their loads and prevented costs from being socialized among other ratepayers. **Representative Mike Veile** explained that he had worked with the Idaho Public Utilities Commission (PUC) and major large-load users when developing this legislation. He explained this would codify existing PUC protections, ensuring consistency and protection for future large load projects.

TESTIMONY: **Braden Jensen**, representing the Idaho Farm Bureau, testified in favor of **H 911** because this would create fair responsibility for large loads, preventing existing ratepayers from financial burden. He also believed this legislation provided clarity and confidence in the energy system which ensured reliability for both consumers and providers.

MOTION: **Senator Shippy** moved to send **H 911** to the floor with a **do pass** recommendation. **Senator Den Hartog** seconded the motion. The motion carried by **voice vote**.

H 873 **ELECTIONS - Amends existing law to revise provisions regarding certain election procedures.** **Chairman Guthrie** said this legislation was meant to correct oversights from last year's election legislation. He said it addressed Soil and Water Conservation District supervisor election timelines, timelines for sending ballots to absentee precincts, and a correction in the Uniform District Election Law chapter.

TESTIMONY: **Trent Tripple**, representing the Idaho County Clerk's Association, testified in favor of **H 873** because he believed this was a good fix and voiced that all Idaho clerks were in favor of this legislation.

MOTION: **Senator Shippy** moved to send **H 873** to the floor with a **do pass** recommendation. **Senator Den Hartog** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Vice Chairman Bernt passed the gavel to Chairman Guthrie.

S 1423 **FINANCIAL ACCOUNTABILITY STABLECOIN TRANSACTION ACT - Adds to existing law to establish the Financial Accountability Stablecoin Transaction (FAST) Act to provide for the authorization and use of payment stablecoins.** **Senator Anthon** explained that this legislation addressed the modernization of Idaho's payment systems to keep up with fast-moving electronic payment technology. He explained that stablecoins were digital tokens with the same value as the U.S. dollar. **Representative Dustin Manwaring** said that this would allow for the Idaho Department of Finance, State Treasurer, and State Controller to create a list of qualified stablecoins for use with state contracts. He explained that the long-term goal was for the State to receive payments in stablecoins which allowed for instant settlement and faster processing. **Senator Anthon** believed this was beneficial legal framework to guide reliable use of stablecoin.

DISCUSSION: **Vice Chairman Bernt** asked if stablecoin would affect state investments and interest earned. **Representative Manwaring** said this legislation would not affect that.

TESTIMONY: **Gregory Graf**, representing World Liberty Financial, testified in support of **S 1423**. He believed this allowed Idaho to modernize payments in a controlled way and emphasized that vendors were not going to be forced to use this method. **Mr. Graf** said this legislation ensured Idaho was prepared for the implementation of this technology.

TESTIMONY: **Julie Ellsworth**, Idaho State Treasurer, testified in opposition to **S 1423**. **Treasurer Ellsworth** believed this legislation posed a risk to state interest earnings and highlighted the lack of clear regulatory mechanisms and procedures surrounding stablecoin. She pointed out that there was no recourse if stablecoin payments were disputed or failed and raised concerns about security and responsibility. **Treasurer Ellsworth** also did not believe there was a significant speed advantage and did not support the passing of this legislation.

DISCUSSION: **Vice Chairman Bernt** asked for clarification on his understanding of the stablecoin system and thought that vendors would want the quickest transaction possible. **Treasurer Ellsworth** believed this would contribute to direct loss of interest earnings and explained the Treasurer's Office lacked the knowledge required to comply with this legislation since stablecoin was a developing technology. **Senator Anthon** closed the discussion by emphasizing the control and phased implementation this would create and pointed out the potential benefits it had for Idaho. He believed this legislation laid the groundwork for Idaho to engage in stablecoin payments safely and gradually to keep up with the growing presence of digital asset technology.

MOTION: **Vice Chairman Bernt** moved to send **S 1423** to the floor with a **do pass** recommendation. **Senator Harris** seconded the motion. The motion carried by **voice vote**. **Senator Shippy** voted nay.

ADJOURNED: There being no further business at this time, **Chairman Guthrie** adjourned the meeting at 9:32 a.m.

Senator Guthrie
Chair

Abby Rowe
Secretary