

MINUTES
SENATE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Tuesday, March 05, 2019

TIME: 1:30 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Patrick, Vice Chairman Agenbroad, Senators Martin, Lakey, Guthrie, Thayn, Souza, Ward-Engelking, and Burgoyne

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 Patrick** called the meeting of the Senate Commerce and Human Resources Committee (Committee) to order at 1:30 p.m.

H 84 **Relating to General Business Corporations. Senator Burgoyne** reported this legislation amends the Idaho Business Corporations Act (IBCA), Idaho Code Title 30, Chapter 29 to (i) bring it into conformity with the Model Business Corporations Act (Model Act); and (ii) to harmonize the IBCA with the Uniform Business Organizations Code (UBOC), Idaho Code, Title 30, Chapter 21. **Senator Burgoyne** commented Idaho amended the UBOC in 2015 (S 1025). The IBCA has been based on the Model Act since 1979, and has periodically incorporated Model Act changes. **Senator Burgoyne** explained the IBCA has not yet, however, incorporated the Model Act's most recent changes from 2016, which is the purpose of this legislation. The UBOC pertains to all business organizations, including corporations. By agreement between the Uniform Law Commission (ULC) and the American Bar Association (ABA), the ABA has responsibility for the Model Act. Consequently, Idaho's adoption of the UBOC did not serve to update the IBCA. This legislation provides the needed update.

Senator Burgoyne stated it is not anticipated that this legislation will increase or decrease existing or future appropriations, or increase or decrease revenues by the State or units of local government, except for some possible and likely minimal computer programming changes in the Secretary of State's office, the cost of which cannot be estimated at this time. Fee charges are covered in Idaho Code Title 30, Chapter 21 and are unaffected by these amendments to Idaho Code, Title 30, Chapter 29.

Senator Burgoyne referred to his written remarks for the bill provided to the Committee previously; a summary of the bill prepared by David Jensen, Attorney with the firm of Parsons, Behle, and Latimer; and code sections repealed by the bill. He then deferred to Mr. Jensen.

TESTIMONY: **Mr. Jensen** referred to the bill summary, which included 1.) a section identifying substantive changes made by the bill; 2.) a section on Idaho differences from the Model Act which are preserved by the bill; 3.) background information; and 4.) a list of attorneys who participated in drafting the bill (Attachment 1). He highlighted some key additions, again referring to Attachment 1.

MOTION: **Senator Burgoyne** moved to send **H 84** to the floor with a **do pass** recommendation. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

H 94 **Relating to Liquefied Petroleum Gas Containers. Representative Britt Raybould** reported the purpose of this legislation is to provide a layer of safety for the public propane consumer. The safety of Idahoans is put at risk when Discount Propane Providers (DPPs) fill propane tanks already leased to customers by legitimate Idaho propane companies. She remarked the DPPs do not conduct safety inspections or leak tests, and very often overfill tanks to dangerous levels. The proposed law will protect consumer safety by restricting the filling of propane gas storage tanks or cylinders to its owner or someone having the owner's authorization. The law additionally provides liability protection and legal recourse in the event of violation. The owner of a container, or his agent, has the greatest interest in seeing that only safe filling procedures are followed and that all governmental requirements are met. Propane tanks owned by the customer can be filled by any company the customer chooses and would not be affected by this legislation. There will be no fiscal impact to the General Fund because this legislation does not require any State funds be expended.

TESTIMONY: **Will Hart**, Executive Director, Idaho Consumer-Owned Utilities Association, testified in support of this bill. He remarked this bill protects customers from rogue providers attempting to violate customer agreements and private property rights, while putting consumers at risk. Forty-three other states have similar laws and regulations regarding propane safety, including all of the states bordering Idaho, with the exception of Wyoming. **Mr. Hart** stated this law only affects Idahoans who lease their tanks under contract with legitimate propane companies. This law does not affect tank owners.

DISCUSSION: **Senator Thayne** remarked that sometimes discount providers supply a different quality of propane and asked Mr. Hart to expound on that theory. **Mr. Hart** stated that some propane can be commercial grade, which is not the same type as residential propane. The commercial grade can fire dirty and clog filters.

Senator Thayne stated his son works for a co-op that has a propane distributorship, that he had a conflict of interest pursuant to Senate Rule 39(H), but intended to vote.

MOTION: **Senator Guthrie** moved to send **H 94** to the floor with a **do pass** recommendation. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**. **Senator Burgoyne** asked to be recorded as voting nay.

GUBERNATORIAL REAPPOINTMENT & VOTE: The Gubernatorial reappointment of Max Black of Boise, Idaho, to the Idaho State Insurance Fund Board (ISIFB) term commencing April 3, 2018 and expiring April 3, 2022. **Mr. Black** provided a brief overview of his background.

DISCUSSION: **Senator Burgoyne** commented that Mr. Black is very knowledgeable and has earned his endorsement several times. He thanked him for continuing to serve and volunteer his time.

Senator Lakey said he had the pleasure of serving with Mr. Black on the ISIFB. **Senator Lakey** stated he is a Board member of the ISIFB, that he had a conflict of interest pursuant to Senate Rule 39(H), but intended to vote.

Senator Martin asked Mr. Black what he has accomplished and what were his goals for the future. **Mr. Black** remarked the ISIFB is an important agency. Workers' compensation is a needed function and the ISIFB fulfills that need. The ISIFB serves in a competitive market. Sometimes action is required by

the Director of the Idaho Department of Insurance (IDOI) and the ISIFB is there to help.

MOTION:

Senator Martin moved to send the Gubernatorial reappointment of Max Black of Boise, Idaho, to the Idaho State Insurance Fund Board, to the floor with the recommendation that he be confirmed by the Senate. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**. Senators Burgoyne and Bayer will carry the appointment on the floor.

GUBERNATORIAL REAPPOINTMENT & VOTE:

The Gubernatorial reappointment of Celia Gould of Boise, Idaho, to the Public Employee Retirement System of Idaho (PERSI) term commencing July 1, 2018 and expiring July 1, 2023. **Ms. Gould** stated she is honored to be on the PERSI Board. She gave an overview of her background also stating she has served in the Idaho Legislature. **Ms. Gould** noted that currently she is the Director of the Idaho Department of Agriculture. She remarked she has had the privilege of working alongside State employees for the last 12 years and she sees the pride, diligence, and professionalism in which they carry out their work. The employees are the State of Idaho's greatest asset and they are the reason she wants to serve on the PERSI Board as the representative of public employees. Without a doubt, PERSI is the very finest public retirement system in the country. Idaho's public employees deserve a solid and predictable future. She said she hopes to continue to serve on the PERSI Board.

MOTION:

Senator Ward-Engelking moved to send the Gubernatorial reappointment of Celia Gould of Boise, Idaho, to the Public Employee Retirement System of Idaho Board, to the floor with the recommendation that she be confirmed by the Senate. **Senator Thayn** seconded the motion. The motion carried by **voice vote**. Senator Ward-Engelking will carry the appointment on the floor.

GUBERNATORIAL REAPPOINTMENT & VOTE:

The Gubernatorial reappointment of Thomas Limbaugh of Fruitland, Idaho, to the Idaho Industrial Commission (IIC), term commencing January 14, 2019 and expiring January 14, 2025. **Mr. Limbaugh** stated it was an honor to be reappointed. He gave a brief overview of his background. He stated he has had the opportunity to serve on many boards, councils, and the Legislature. He enjoys serving and enjoys the people with whom he works.

MOTION:

Senator Thayn moved to send the Gubernatorial reappointment of Thomas Limbaugh of Fruitland, Idaho, to the Idaho Industrial Commission to the floor with the recommendation that he be confirmed by the Senate. **Senator Lakey** seconded the motion. The motion carried by **voice vote**. Senator Lee will carry the appointment on the floor.

GUBERNATORIAL REAPPOINTMENT & VOTE:

The Gubernatorial reappointment of Susan Buxton of Boise, Idaho, as Administrator, Idaho Division of Human Resources (IDHR), term commencing January 7, 2019 and serving at the pleasure of the Governor. **Ms. Buxton** gave a brief overview of her background.

Ms. Buxton summarized the accomplishments of the IDHR, including transforming the IDHR from transactional human resources services to strategic human resources services, which includes the delivery and design of the business of government strategic designs. In addition, the statewide Employee Evaluation System (I-Perform) has been upgraded. The statewide Applicant Tracking System that processes approximately 18,000 applications annually, has been replaced with a new system that has better functionality. The Supervisory Academy and Respectful Workforce Employee Training has been revised. The first statewide mandatory Cybersecurity Training was also implemented. The statewide Employee Total Compensation Survey was conducted. The IDHR has undertaken a larger statewide role in assisting with employee complaint investigations and mediations to curb the costs of third

party services. **Ms. Buxton** stated she has enjoyed working with the IDHR and has been excited about having the opportunity to continue as the Administrator.

MOTION:

Senator Lakey moved to send the Gubernatorial reappointment of Susan Buxton, of Boise, Idaho, Administrator, Idaho Division of Human Resources, to the floor with the recommendation that she be confirmed by the Senate. **Vice Chairman Agenbroad** seconded the motion. The motion carried by **voice vote**. Senator Burgoyne will carry the appointment on the floor.

PRESENTATION:

Idaho Workforce Development Council (IWDC). **Wendi Secrist**, Executive Director, IWDC, presented a report on the IWDC outlining the purpose, training fund programs, and grants and outreach projects (Attachment 2). She explained the various programs that address learning through work, internships, apprenticeships, and the various agencies the IWDC works with in developing these programs (Attachments 3, 4, and 5).

Ms. Secrist mentioned the challenge is to do a better job of communicating. The IWDC is in the process of gathering information on local events. They are working closely with the Idaho State Board of Education and other entities to insure good communication. She stated the IWDC is also working with the Idaho Division of Veterans Services to facilitate converting military Commercial Driver's Licenses (CDLs) to a civilian CDL.

DISCUSSION:

Chairman Patrick queried if the military CDLs were the same as a civilian CDL. **Ms. Secrist** remarked Idaho has a mechanism to convert these licenses.

Senator Thayn and **Ms. Secrist** discussed how many adults and high school students are being served by the IWDC and the various pathways for apprenticeship programs for these participants.

Senator Burgoyne remarked the IWDC is the most important program in the State of Idaho. **Senator Burgoyne** and **Ms. Secrist** discussed the different methods for measuring success, but especially the impact of training.

Senator Guthrie commented it is desirable for people to stay in Idaho, but until the State is promoted in a positive manner and the wages improve, people will leave. **Ms. Secrist** stated she agreed that a platform needed to be built where jobs can be found and opportunities provided to highlight the State in order to retain people.

ADJOURNED:

There being no further business at this time, **Chairman Patrick** adjourned the meeting at 2:47 p.m.

Senator Patrick
Chair

Linda Kambeitz
Secretary