

MINUTES
HOUSE BUSINESS COMMITTEE

DATE: Tuesday, March 19, 2019

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Dixon, Vice Chairman DeMordaunt, Representatives Collins, Crane, Palmer, Barbieri, Stevenson, Armstrong, Clow, Monks, Andrus, Furniss, Nichols, Raymond, Smith, Berch, Green(18)

**ABSENT/
EXCUSED:** Rep. Monks

GUESTS: John Nielsen, DBS, Senator Todd Lakey, Ken McClure, ITA, Will Hart, Idaho Consumer-Owned Utilities Association, Jen Visser, Idaho Power, Kevin King, ICEA, Dean Cameron, Director, Department of Insurance (DOI)

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

SCR 106: **Sen. Lakey** presented **SCR 106**, legislation rejecting certain sections of rule of the Idaho Division of Building Safety related to the Idaho Plumbing Code.

MOTION: **Rep. DeMordaunt** made a motion to send **SCR 106** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Monks** will sponsor the bill on the floor.

S 1152: **Rep. Kauffman** presented **S 1152**, and said cooperatives distribute electric power, provide telecommunications and broadband services to their members in rural Idaho, are member-owned and managed. Cooperatives set service rates, and determine service standards without PUC oversight. In many states cooperatives are specifically exempted from state unclaimed property laws. This legislation would bring Idaho into line with other states that historically exempted patronage capital credits from unclaimed property statutes and allow these cooperatives to decide how to deal with unclaimed capital credits, and either be exempt from or subject to the state's unclaimed property laws as they choose.

Ken McClure, ITA, and **Will Hart** spoke in support of **S 1152**, saying because these cooperatives do not earn profits in the sense that other businesses do, any margins or revenues remaining after all expenses have been paid are returned to the members in the form of patronage capital. Idaho's current code governing unclaimed patronage capital requires reporting and maintaining files on members for years which is costly and burdensome for these local, rural, member-owned and managed utilities. **S 1152** would allow rural electric, telecommunications, and broadband cooperatives to continue to report to the state under current code or elect to be exempt from reporting and allow the bylaws or policies adopted by the members or the board of the cooperatives to determine unclaimed capital credit policy. If the owner of the unclaimed capital credit has not been located and funds have not been returned within four years after they have been determined to be unclaimed, the non-profit corporation may use the funds for the benefit of the general membership of the corporation or for the communities it serves, as determined by its board of directors. **S 1152** is supported by Food Producers of Idaho, IACI, Idaho Consumer-Owned Utilities Association, and the Idaho Telecom Alliance.

MOTION: **Rep. DeMordaunt** made a motion to send **S 1152** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Kauffman** will sponsor the bill on the floor.

Chairman Dixon turned the gavel over to **Vice Chairman DeMordaunt**.

H 275:

Rep. Dixon presented **H 275**, legislation establishing a new section of code to allow the director of the Idaho DOI to adopt rules and standards for enhanced short-term health insurance plans. The government has changed some plans and allows for more affordable opportunities in the state. The U.S. Departments of the Treasury, Labor and Health and Human Services, issued new rules to amend the definition of short-term, limited-duration insurance to lengthen the maximum duration of short-term health insurance. This bill defines enhanced short-term health insurance and brings Idaho in compliance with new federal rules that went into effect on October 2, 2018. Enhanced short-term plans will have an initial period of less than twelve months and allows an individual to renew the policy for up to the number of months established by the Idaho DOI.

Dean Cameron, Director, DOI, spoke **in support of H 275**. The current statute doesn't allow for renewable plans. This plan allows for the plan to be renewed every 36 months. Many Idahoans have been priced out of the individual health insurance market, particularly those not qualifying for subsidies under the ACA. Federal law permits enhanced short-term plans to be for up to 12 months and to be renewable up to 3 years. This bill will not eliminate traditional short-term plans intended to help those in-between jobs, and gives the DOI the ability to promulgate rules for enhanced short-term plans. Specific guidelines will be developed through negotiated rulemaking with all stakeholders, and will be good insurance plans including consumer protections and robust benefit designs. If implemented, these plans will represent an Idaho solution to a problem created by the federal government, and will give those priced out of the market by the ACA the opportunity to obtain good coverage for their families at an affordable price. Under provisions of **H 275**, they are convertible back to ACA plans. The price of these plans are not confirmed, but have the potential to be 50% less than the cost of the currently available ACA plans. Short term plans are generally less expensive, broader and have more availability. A carrier may determine the ability to attract the young and healthy back into the market and bring rates down.

MOTION:

Rep. Crane made a motion to send **H 275** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Dixon** will sponsor the bill on the floor.

Vice Chairman DeMordaunt turned the gavel back to **Chairman Dixon**.

S 1182:

Rep. Crane presented **S 1182**, legislation to provide all retailers of solar energy systems sold to residential consumers deliver certain disclosures in writing, thus protecting the consumer, and discouraging over-representation of the performance of the solar energy product, misrepresenting affiliations with utility companies or other energy-related service providers.

Kevin King, ICEA, and **Jen Visser**, Director of Government Affairs for Idaho Power, spoke **in support of S 1182**, and said there is an active claim of sixty six instances of people who have been given misinformation. This bill is modeled after Utah code.

MOTION:

Rep. Palmer made a motion to send **S 1182** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Crane** will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:06 p.m.

Representative Dixon
Chair

Jayne Feik
Secretary