

MINUTES
HOUSE BUSINESS COMMITTEE

DATE: Thursday, February 01, 2024

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Clow, Vice Chairman Ehlers, Representatives Crane(13), Palmer, Barbieri, Dixon(1), Andrus, Furniss, Mitchell, Cornilles, Crane(12), Lanting, Petzke, Redman, Berch, Green, Rubel

**ABSENT/
EXCUSED:** Reps. Green, Rubel

GUESTS: The sign-in sheet will be retained in the committee secretary's office; following the end of session the sign-in sheet will be filed with the minutes in the Legislative Library.

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

RS 30998: **Rep. Mathias** presented **RS 30998** which intends to level the playing field between Idaho based architectural firms and national firms when bidding on state projects. He explained the purpose of the proposed legislation is to clarify confusion in the law, which puts Idaho firms at a disadvantage to out-of-state firms. Currently, a request for purchase does not require an Idaho license. The proposed legislation clarifies an Idaho license is required.

MOTION: **Rep. Petzke** made a motion to introduce **RS 30998**. **Motion carried by voice vote.**
Chairman Clow turned the gavel over to **Vice Chairman Ehlers**.

**DOCKET NO.
18-0102-2301:** **Dean Cameron**, Director, Department of Insurance explained the department's rule making process.

Mr. Cameron introduced **Wes Trexler**, Deputy Director, Idaho Department of Insurance who explained the proposed rule changes in **Docket No. 18-0102-2301** simplifies language and includes fee changes.

In response to committee questions, **Mr. Trexler** explained the \$300 pharmacy benefit manager registration fee matches similar entities. He also shared the pharmacy benefit manager licensing was authorized in **H 386** from 2020.

Chairman Clow noted a typographical error on page 90 section 021. line 01, where "Then" should be "Than". **Vice Chair Ehlers** noted the typographical error on page 91 section 022. line 02, where "Fourty" should be "Forty".

Vice Chair Ehlers opened the Docket to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Berch** made a motion to approve **Docket No. 18-0102-2301**.

During discussion on the motion, committee members discussed the best path forward to correct the noted typographical errors.

**UNANIMOUS
CONSENT
REQUEST:** **Rep. Berch** made a unanimous consent request to withdraw his motion to approve **Docket No. 18-0102-2301**. There being no objection, the request was granted.

MOTION: **Rep. Berch** made a motion to approve **Docket No. 18-0102-2301** noting the typographical errors to be corrected. **Motion carried by voice vote.**

DOCKET NO. 18-0404-2301: **Shannon Hohl**, Market Oversight Bureau Chief, Idaho Department of Insurance explained the proposed rule changes in **Docket No. 18-0404-2301** simplify, clarify and modernize language.

Vice Chair Ehlers opened the Docket to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Berch** made a motion to approved **Docket No. 18-0404-2301**. **Motion carried by voice vote.**

DOCKET NO. 18-0408-2301: **Shannon Hohl**, Market Oversight Bureau Chief, Idaho Department of Insurance. Ms. Hohl explained the proposed rule changes in **Docket No. 18-0408-2301** primarily simplify, clarify and reduce redundant language. One change broadened the allowable benefit period for disability protection coverage.

In response to committee questions, **Ms. Hohl** shared there are many policies written for a six-month term and do not anticipate industry dropping that term offering if they are also able to offer 30-day term plans.

Vice Chair Ehlers opened the Docket to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Cornilles** made a motion to approved **Docket No. 18-0408-2301**. **Motion carried by voice vote.**

DOCKET NO. 18-0601-2301: **Randy Pipal**, Consumer Services Bureau Chief, Department of Insurance explained the proposed rule changes in **Docket No. 18-0601-2301** primarily simplify, clarify and reduce redundant language. In addition, there is a change which will allow for bail agents to offer credit for premium payments at zero percent interest for a set time period.

In response to committee questions, **Mr. Pipal** explained the rule is defining the time period which was not previously defined. He also shared the definition was not changed in statute because the time period for each line of insurance may be different. Mr. Pipal explained it's customary in the competitive bail industry to offer credit at zero percent interest.

Vice Chair Ehlers opened the Docket to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Redman** made a motion to approved **Docket No. 18-0601-2301**. **Motion carried by voice vote.**

DOCKET NO. 18-0602-2301: **Randy Pipal**, Consumer Services Bureau Chief, Department of Insurance explained the proposed rule changes in **Docket No. 18-0602-2301** primarily simplify, clarify and reduce redundant language.

Vice Chair Ehlers opened the Docket to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Berch** made a motion to approved **Docket No. 18-0602-2301**. **Motion carried by voice vote.**

DOCKET NO. 18-0603-2301: **Randy Pipal**, Consumer Services Bureau Chief, Department of Insurance. **Mr. Pipal** explained the proposed rule changes in **Docket No. 18-0603-2301** is to repeal this rule because much of the rule was a restating of statute and was unnecessary.

In response to committee questions, **Mr. Pipal** clarified the disclosure requirements from this chapter are still required by statute.

Vice Chair Ehlers opened the legislation to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Petzke** made a motion to approved **Docket No. 18-0603-2301**. **Motion carried by voice vote.**

DOCKET NO. 18-0706-2301: **Eric Fletcher**, Company Activities Bureau Chief, Department of Insurance explained the proposed rule changes in **Docket No. 18-0706-2301** primarily simplify, clarify and reduce redundant language.

Vice Chair Ehlers opened the Docket to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Andrus** made a motion to approved **Docket No. 18-0706-2301**. **Motion carried by voice vote.**

DOCKET NO. 18-0710-2301: **Eric Fletcher**, Company Activities Bureau Chief, Department of Insurance explained the proposed rule changes in **Docket No. 18-0710-2301** primarily simplify, clarify and reduce redundant language.

Vice Chair Ehlers opened the Docket to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Andrus** made a motion to approved **Docket No. 18-0710-2301**. **Motion carried by voice vote.**

DOCKET NO. 18-0801-2301: **Knut Sandahl**, Idaho State Fire Marshal explained the proposed rule changes in **Docket No. 18-0801-2301** primarily simplify, clarify, and reduce language.

In response to committee questions, **Mr. Sandahl** explained the violation, since the adoption of the International Fire Code, has been a misdemeanor. No change has been made. Mr. Sandahl shared he is aware about proposed legislation to address the challenge of the enforcement of the violation. He explained their process is to primarily educate and utilize voluntary compliance. In some cases, there is a need to issue a citation.

Chairman Clow explained about proposed legislation on this topic which has been assigned to the Business Committee.

Dean Cameron, Director, Department of Insurance clarified the proposed legislation didn't originate with the Department of Insurance. He also explained the standard of misdemeanor has been in the rule for some time. He also clarified it is not the department's intention to set public policy. The goal of this rule change was to clean up the language. He explained the previous amendments made to the International Fire Code remain in place.

Committee members commented with concern because the proposed rule change appears to add misdemeanor. Committee members also shared concerns the previous rule language changes appear to not have been changed leaving erroneous information which is confusing and needs to be cleaned up. Committee members suggested the best way forward may be in statute.

Josh Scholer, Bureau Chief, Regulatory & Legislative Affairs explained ways in which the committee may reject rules. Mr. Scholer also suggested the committee bring specific questions to the Attorney General's office or the legislature's council.

Vice Chair Ehlers opened the Docket to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Crane (13)** made a motion to **HOLD Docket No. 18-08010-2301** subject to the call of the chair. **Motion carried by voice vote.**

Speaking **in support** of the motion, **Chairman Clow** stated taking time to gain clarity would help determine the correct path forward.

Vice Chair Ehlers returned the gavel to **Chairman Clow**.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 2:53 p.m.

Representative Ehlers
Chair

Michelle A Anderson
Secretary