

MINUTES
HOUSE BUSINESS COMMITTEE

DATE: Wednesday, March 13, 2024

TIME: 1:30 PM or Upon Adjournment

PLACE: Room EW41

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

**ABSENT/
EXCUSED:** Rep. Palmer

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 3:09 p.m.

Due to the afternoon floor session delaying the committee's start time, **Chairman Clow** asked **Dean Cameron**, Director, Department of Insurance if he would prefer to dispense with today's department presentation. Director Cameron indicated he would appreciate not presenting today.

S 1297: **Rep. Manwaring** presented **S 1297** explaining the legislation proposes a change to Idaho Code, Chapter 5, Title 45 which governs mechanic's liens to reflect industry best practices. Specifically, setting a time certain in which the lien must be enforced within six months of filing to ensure consistency and predictability for all parties involved.

In response to committee questions, **Rep. Manwaring** explained a mechanic's lien is a legal term which refers to more trades than just mechanics. He explained there is a six month period to file a lien. There's also the ability to get a surety bond. The legislation makes the time period to file surety and liens consistent at six months. **Rep. Manwaring** explained what a surety bond is and how it works.

Chairman Clow opened the legislation to public testimony.

Testifying **in support** of **S 1297**, **Sean Schupack** explained the legislation brings clarity and stability back to the market. He also shared the legislation is supported by the Bankers Association and Credit Union Association.

Reps. Crane (13), Crane (12), and Dixon (1) declared a Rule 80 stating a possible conflict of interest.

In closing, **Rep. Manwaring** clarified in addition to being a surety of payment, a surety bond is also surety of performance. He also explained a six month period is common in industry.

MOTION: **Rep. Dixon (1)** made a motion to send **S 1297** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Manwaring** will sponsor the bill on the floor.

S 1301: **Rep. Crane (13)** introduced **Zach Forster**, GoWest Credit Union Association who explained **S 1301** is a routine industry bill which provides updates and modernizes the Idaho Credit Union Act, providing flexibility and modern provisions to allow Idaho state-chartered credit unions to better serve their members.

In response to committee questions, **Mr. Forster** explained banks and credit unions are consolidating and many customers are going online for banking. He stated there are areas that are underserved.

In response to committee questions, **Salvador Cruz**, Financial Institutions Bureau Chief, Idaho Department of Finance explained part 702 is the National Credit Union Administration's regulation which is tied to capitol and an obligation is a loan. The intent with the legislation is to be consistent with federal regulations. He shared risk weighting has nothing to do with the liquidity of an institution. It is the Department of Finance, Federal Reserve, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation's responsibility to monitor institutions' risk. Mr. Cruz affirmed obligations described in 12 CFR are very low risk similar to cash. He shared about speculative assets and how the legislation makes sure guardrails are in place to protect the public. He explained financial institutions are held to the highest standard. He shared the Idaho Credit Union Act gives the Department of Finance the authority to take action against bad actors. Mr. Cruz shared the legislation adds the definition of speculative assets to be consistent with the NCUA.

Chairman Clow opened the legislation to public testimony. No one indicated their desire to testify.

MOTION: **Rep. Furniss** made a motion to send **S 1301** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Crane (13)** will sponsor the bill on the floor.

H 705: **Rep. Crane (12)** presented **H 705** which continues Idaho's work towards occupational licensure reform. The vast majority of licenses require licensees to take certain continuing education credits in order to renew their license. This legislation reforms, overhauls, and streamlines continuing education requirements, and directs licensing authorities to review their administrative rules to eliminate or modify any continuing education provisions that would conflict with the changes in this bill.

Chairman Clow opened the legislation to public testimony.

Testifying in support of **H 705**, **Doug Taylor**, Opportunity Solutions Project explained the legislation increases flexibility and reduces the barriers to entry in occupational licensing.

In response to committee questions, **Rep. Crane (12)** explained the legislation covers all occupational licensure. He shared he would like to see Idaho's continuing education requirements be no higher than the average of the contiguous states around it.

MOTION: **Rep. Redman** made a motion to send **H 705** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Crane (12)** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:54 P.M.

Representative Clow
Chair

Michelle A Anderson
Secretary