

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Tuesday, January 29, 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. Palmer

**GUESTS:** Dean Cameron, Director, Dept. of Ins., Alex Adams, Administrator of Idaho Division of Financial Management,(DFM), Tom Donovan, DOI, David Fuklerson, DFM, Nathan Farngher, DOI, Patrick Grace, Regional Manager, Division of Building Safety, Jim Burns, Security Bureau Chief, Anthony Poladori, Consumer Finance Bureau Chief, Patty Highley, DOF, Dennis Stevenson, Rules Coordinator, Brad Hunt, O.A.R.C., Kent Dy, Liberty

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

**MOTION:** **Rep. Green (18)** made a motion to approve the minutes of January 15, 2019, and the minutes of January 17, 2019. **Motion carried by voice vote.**

**RS 26426:** **Dean Cameron**, Director, Dept. of Ins., presented **RS 26426**, legislation relating to model law amendments required for accreditation of the Idaho Department of Insurance by the NAIC. Accreditation maintains consistent and fair regulation of insurers and is necessary to retain carriers domiciled in Idaho thereby benefitting consumers. This legislation provides authority to the director of the Department of Insurance to act as a group-wide supervisor for an internationally active insurance group. It is helpful to insurance companies and their regulator to have one jurisdiction assess the enterprise-wide risks and coordinate group-wide supervision activities for insurance companies or insurance holding company groups. Acquisitions or other changes in a state's domestic insurance industry can occur quickly and change the state's role in overseeing a domestic insurer or their role within the holding company group.

**MOTION:** **Rep. Furniss** made a motion to introduce **RS 26426**. **Motion carried by voice vote.**

**RS 26492:** **Alex Adams**, Administrator of Idaho Division of Financial Management, introduced Brian Mooney, Director, Dept. of Administration, and Dennis Stevenson, Rules Coordinator, then presented **RS 26492**, proposed legislation regarding a committee needlessly established duplicating a processes occurring in the development of the state's Budget Development Manual. The committee has not been active and should be removed from Code.

**MOTION:** **Rep. DeMordaunt** made a motion to introduce **RS 26492**.

**SUBSTITUTE MOTION:** **Rep. Smith** made a substitute motion to introduce **RS 26492** and recommend it be sent directly to the second reading calendar. **Motion carried by voice vote.**

**RS 26493C1:** **Alex Adams**, presented **RS 26493C1** proposed legislation transitioning the Office of the Administrative Rules Coordinator (OARC) to the Division of Financial Management (DFM). DFM analysts review all rules submitted by agencies, and agencies work with OARC on technical aspects of publishing rules in the state's Administrative Bulletin. This transition will streamline executive branch processes, create efficiencies in state government, and promote higher quality rulemaking for all rules subject to legislative review.

**MOTION:** **Rep. Collins** made a motion to introduce **RS 26493C1**. **Motion carried by voice vote.**

**DOCKET NO. 07-0501-1801:** **Patrick Grace**, Regional Manager, Division of Building Safety, explained the proposed rulemaking will define a qualified individual (QI) by examination. QI determine the "reasonable length of time" a contractor's license will remain in force, and clarify notice a contractor's QI has ceased to be connected with the contractor must be provided on forms prescribed by the administrator.

**MOTION:** **Rep. DeMordaunt** made a motion to approve **Docket No. 07-0501-1801**. **Rep. Monks** invoked Rule 38 stating a possible conflict of interest. **Motion carried by voice vote.**

**DOCKET NO. 07-1001-1801:** **Patrick Grace**, Regional Manager, Division of Building Safety, explained pending rules of the Damage Prevention Board. This rulemaking requires parties requesting appeals to pay an appeal bond of \$200 to appeal, and will change any reference to "underground utility owners" to "underground facility owners" and will define locators and subject them to civil penalties. An underground facility owner, owner's agent, or locator who fails to locate or mark its underground facilities when responsible to do so in accordance with Idaho Code, or within the prescribed time provided, shall be subject to a civil penalty.

**MOTION:** **Rep. DeMordaunt** made a motion to approve **Docket No. 07-1001-1801**. **Motion carried by voice vote.** **Rep. Armstrong** requested to be recorded as voting **NAY**.

**DOCKET NO. 12-0108-1801:** **Jim Burns**, Security Bureau Chief, explained this rule will eliminate reference to the former paper-based exam which is no longer applicable. The rule will now focus only on the applicable computer-based exam.

**MOTION:** **Rep. DeMordaunt** made a motion to approve **Docket No. 12-0108-1801**. **Motion carried by voice vote.** **Rep. Monks** requested to be recorded as voting **NAY**.

**DOCKET NO. 12-0109-1801:** **Anthony Poladori**, Consumer Finance Bureau Chief, explained the federal Consumer Credit Protection Act and implementing regulations for incorporation into the Idaho Credit Code and the Rules Pursuant to the Idaho Credit Code. This proposed rule incorporates laws and regulations included within the federal Consumer Credit Protection Act, promoting consistency in state and federal consumer financial services laws so Idaho consumer financial service providers are not faced with an untenable requirement of complying with conflicting state and federal laws.

**MOTION:** **Rep. Berch** made a motion to approve **Docket No. 12-0109-1801**. **Motion carried by voice vote.** **Rep. Barbieri** requested to be recorded as voting **NAY**.

**DOCKET NO. 12-0110-1801:** **Anthony Poladori** explained the Idaho Residential Mortgage Practices pending rule promotes consistency in state and federal mortgage-related laws so Idaho mortgage licensees are not faced with an untenable requirement of complying with conflicting state and federal laws. The proposed rule updates references to the NMLS Policy Guidebook, promoting consistency in nationwide licensing standards for mortgage licensees.

**MOTION:** **Rep. Collins** made a motion to approve **Docket No. 12-0110-1801**. **Motion carried by voice vote.** **Rep. Monks** requested to be recorded as voting **NAY**.

**DOCKET NO. 12-0111-1801:** **Anthony Poladori** explained this proposed rule incorporates the federal Fair Debt Collection Practices Act by reference, promoting consistency in state and federal debt collection laws so Idaho collection agency licensees are not faced with an untenable requirement of complying with conflicting state and federal laws.

**MOTION:** **Rep. DeMordaunt** made a motion to approve **Docket No. 12-0111-1801. Motion carried by voice vote. Rep. Monks** requested to be recorded as voting **NAY**.

**ADJOURN:** There being no further business to come before the committee the meeting adjourned at 2:23 p.m.

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Representative Dixon  
Chair

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Jayne Feik  
Secretary