

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Wednesday, February 21, 2024

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman Guthrie, Vice Chairman Bernt, Senators Winder, Anthon, Harris, Toews, Wintrow, and Ruchti

**ABSENT/
EXCUSED:** Senator Lee

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 Guthrie** called the meeting of the Senate State Affairs Committee (Committee) to order at 8:00 a.m.

WELCOME: **Chairman Guthrie** welcomed all to the Committee meeting.

MINUTES APPROVAL: **Senator Bernt** moved to approve the Minutes of February 12, 2024. **Senator Wintrow** seconded the motion. The motion carried by **voice vote**.

INTRODUCTION: **Chairman Guthrie** stated that the Committee agenda was modified to account for scheduling requirements of the presenters.

PRESENTATION: **State of the Gunfighters Address. Colonel Michael Alfaro**, Commander, 366th Fighter Wing, presented the mission, vision, and priorities of the 366th Fighter Wing from Mountain Home Air Force Base, Idaho. He stated that the mission was to provide mission-ready gunfighters to conduct operations anytime, anywhere. He remarked that the vision was to be America's most elite fighter wing. **Colonel Alfaro** outlined the priorities of people, preparedness, and professionalism. He remarked that the Mountain Home Air Force Base had been named a finalist for the 2024 Commander-In-Chief Installation Excellence Award. He provided an update on three projects: the Snake River pipeline, geothermal energy, and airspace optimization. He outlined programs focused on education and spousal employment.

A copy of Colonel Alfaro's presentation is appended as Attachment 1.

DISCUSSION: **Senator Wintrow** remarked that the priorities of people, preparedness, and professionalism were evident in Colonel Alfaro's presentation. She appreciated the quality of life issue he discussed. She asked for a description of the department of defense and juvenile system, which was mentioned in the presentation. **Colonel Alfaro** replied that many Air Force bases had exclusive federal jurisdiction. He remarked that leadership wanted to share that jurisdiction with local levels so that if crimes did not meet the level of prosecution at the federal level, they would be prosecuted at the local level. This limited the number of repeat offenders.

Senator Winder asked what issues the enlisted personnel faced, and how were those issues addressed. **Cedric Foster**, Chief Master Sergeant, replied there were weekly meetings regarding education and issues

with the local schools. He stated that the blue collar workers were key. **Senator Winder** asked how the government could help with concerns regarding the existing school and conditions of the facility. **Colonel Alfaro** replied there was a lease with the Mountain Home School District, but the Air Force base was not responsible for the upkeep of the facility. He stated that he was working closely with the community to find additional funding.

Senator Anthon stated that the Mountain Home Air Force Base was vital to Idaho. He remarked that Senator Schroeder was a veteran and represented Mountain Home. He asked how housing issues were addressed. **Colonel Alfaro** stated that approximately one third of the Air Force members lived on the base, one third lived in the local community, and one third lived in the Boise area. There were issues with cost and spousal employment. He was working with the mayor of Mountain Home to address future planning. He remarked that new development was moving forward.

Chairman Guthrie thanked the Air Force members for presenting to the Committee.

H 455

CODIFIER's CORRECTIONS - Amends existing law to make codifier's corrections. **Representative Scott** stated that **H 455** made language and technical corrections to Idaho Code. The Legislative Services Office (LSO) reviewed code sections and chapters that were amended in the course of the 2023 session. She remarked that LSO corrected irregular grammar, surplus punctuation, and other technical issues. She stated that there was no substantive change to the corrections.

MOTION:

Senator Anthon moved to send **H 455** to the floor with a **do pass** recommendation. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

H 417

STATE GOVERNMENT AND STATE AFFAIRS - Adds to existing law to require state agencies to accept cash as a method of payment along with any other accepted methods of payment in certain instances and to prohibit state agencies from charging an additional fee for cash payment. **Representative Scott** stated **H 417** assured that cash was an acceptable form of payment in Idaho government and that citizens would not be charged an additional fee if they chose to use cash. She remarked that there was a desire to move citizens toward a cashless society. She stated that digital money could not be withdrawn like physical money.

Representative Scott provided Attachment 2.

DISCUSSION:

Senator Bernt asked if **H 417** included higher education. **Representative Scott** replied that it did because it was a state government entity or agency. **Senator Bernt** stated that higher education stakeholders were concerned because they projected large fees and it was expensive for them to deal with cash. He asked Representative Scott if she had a fiscal note related to this. **Representative Scott** remarked that she did not foresee people taking advantage of this. She stated that some disadvantaged citizens used only cash. She remarked that this applied more to smaller fees, such as park fees and fish and game fees. **Senator Bernt** stated that if cash was used at athletic events, there would be a big cost to higher education. He recommended that **H 417** be referred to the 14th Order to consider the input of educational institutions. **Representative Scott** replied that she did not foresee cash use for larger fees.

Senator Wintrow remarked that in 2017, a citizen paid their tax bill with a wheelbarrow full of pennies. She asked if **H 417** addressed how this would be handled. **Representative Scott** remarked that was the exception rather than the rule. She stated that there was nothing in the legislation that prohibited the government agencies from limiting how the cash was accepted. **Senator Wintrow** asked if the agencies set their own rules and limits regarding cash. **Representative Scott** replied that the agencies decided how to receive the cash. She remarked that more business were moving away from cash, and the intent of **H 417** was to keep cash in the system.

Senator Anthon stated that cash was the currency of the United States of America. The government should accept its own currency.

MOTION:

Senator Anthon moved to send **H 417** to the floor with a **do pass** recommendation. **Senator Winder** seconded the motion. The motion carried by **voice vote**.

S 1224

STATE PROCUREMENT ACT - Amends existing law to revise provisions regarding multiple awards. **Senator Cook** stated **S 1224** made it easier for agencies to purchase supplies and services. He remarked that agencies and vendors worked together without involvement of the Division of Purchasing. He stated that **S 1224** limited how the Division of Purchasing awarded multiple contracts for the same or similar property and required agencies to evaluate specific criteria when choosing between contracts awarded under a multiple award. He remarked that it allowed the agencies to work with a vendor for up to a year.

DISCUSSION:

Senator Winder asked if there was a definition of property. Did **S 1224** include real property? **Valerie Bollinger**, Administrator, Division of Purchasing, responded that property covered goods and services, and not real property.

Senator Anthon asked for a definition of what problem **S 1224** fixed. **Ms. Bollinger** stated there were two problems fixed by **S 1224**. She remarked that state-wide contracts were restricted regarding how many could be awarded. Multiple contracts were only awarded if a single supplier could not meet the need. She stated that the goal was to give agencies a variety of vendors to choose from. She remarked that the vendors had already been evaluated. She remarked that secondly, the specific criteria defined by the current language did not always fit the situation.

Senator Anthon asked if there was a scenario where the state would pay more. **Ms. Bollinger** replied that there was no situation in which the state was required to pay more. Options could be evaluated on other factors such as quality. **Senator Anthon** asked if this provided a larger vendor list for local government to utilize as well. **Ms. Bollinger** replied that yes, contracts were open to local agencies as well.

Senator Cook requested that **S 1224** be sent to the 14th Order of Business. He recommended an amendment that added the language to "use priority first". He stated that some cooperative organizations had already been vetted.

MOTION:

Senator Winder moved to send **S 1224** to the 14th Order of Business for possible amendment. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

H 471

REVISED UNCLAIMED PROPERTY ACT - Repeals and adds to existing law to enact the Revised Unclaimed Property Act. **Julie Ellsworth**, Idaho State Treasurer, stated that Idaho's unclaimed property law had not been addressed since 1983. She remarked that she worked with the bankers association, the tax association, and the retailers association. She stated that current law did not provide for electronic communication. The legislation was friendly to business owners and constituents. **H 471** provided detailed road maps and clear protocols for businesses to follow when reporting unclaimed property and addressing dormancy. Loyalty cards, gift cards, and in-store credit were all exempt from the legislation. She remarked that if any new technology was involved in remitting money to the Treasurer's office, a record must be attached. She stated that dormancy periods were defined.

DISCUSSION:

Senator Anthon remarked that he appreciated the work put into the modernization of unclaimed property. He asked if there was any substantive change to the process defined by **H 471** that Treasurer Ellsworth had not outlined. **Treasurer Ellsworth** replied that she had outlined all substantive change. **Senator Wintrow** asked which stakeholders were involved. **Treasurer Ellsworth** stated that there were many groups involved. She stated that the process had to be friendly to businesses. She noted Mr. Miguel with a special thank-you.

MOTION:

Senator Anthon moved to send **H 471** to the floor with a **do pass** recommendation. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL REAPPOINTMENT:

The Gubernatorial Reappointment of Susan D. Kerrick to the Idaho Lottery Commission, to serve a term commencing January 1, 2024 and to expire January 1, 2029. **Ms. Kerrick** stated that she was from Lewiston, and was a former high school math and science teacher. She was appointed to the Idaho Lottery Commission 10 years ago. She remarked that she enjoyed being involved with an organization that donated money to schools.

DISCUSSION:

Senator Harris asked Ms. Kerrick for an overview of what the lottery revenues were doing. **Ms. Kerrick** replied that the lottery was 35 years old. Over \$1 billion dollars had been raised for public education and other areas. She remarked that in 2023, \$73 million had been raised. She stated that the Idaho Lottery Commission started "do good" initiatives. These initiatives funded classroom books and supplies. She remarked that the students and teachers were very thankful.

Chairman Guthrie stated that he had been present when some of those dollars were rewarded. He thanked Ms. Kerrick for serving on the Commission. She stated that the Committee would vote on the gubernatorial reappointment at the next Committee meeting.

INTRODUCTION:

Introduction of Page - Brody Benson. **Mr. Benson** stated that he was a high school senior from Burley, Idaho. He remarked that he was on the high school swim team and a member of Business Professionals of America, an organization for students who aspired to be business leaders. He stated that he loved sushi and steak. He remarked that he had moved 27 times throughout his childhood. He wanted to become a lawyer and was looking forward to learning more about government.

DISCUSSION: **Chairman Guthrie** asked Mr. Benson why he had moved so many times. **Mr. Benson** responded that he moved frequently with his dad's job. **Chairman Guthrie** asked if Mr. Benson had any questions for the Senators. **Mr. Benson** asked Chairman Guthrie what his favorite car was. **Chairman Guthrie** responded that his favorite car was a 1973 Barracuda.

RS 31401 **Relating to a Senate Concurrent Resolution Honoring Distinguished Service.** **Caroline Nelson Troy** stated that she was presenting in place of Senator Schroeder. She worked for the University of Idaho and had been a State Representative. She remarked that a University of Idaho alumni, Erik Peterson, had achieved the rank of 3-Star General. She stated that it was rare for a graduate of an ROTC program to achieve this rank. He graduated from Meridian High School and was the Deputy Chief of Staff for the G8. She remarked that General Erik Peterson retired on March 31, 2024. She recommended that this date be recognized as Lieutenant General Erik Peterson Day in honor of his achievements.

DISCUSSION: **Chairman Guthrie** remarked that Ms. Troy wanted the legislation to be heard in the House on Monday. The timeframe was short.

MOTION: **Senator Bernt** moved to send **RS 31401** to print. **Senator Toews** seconded the motion. The motion carried by **voice vote**.

RS 31372 **Relating to Water.** **Senator Anthon** stated he had worked with the Idaho Water Users Association to develop **RS 31372**. He remarked that **RS 31372** required that there was a shared water system in residential developments of 10 or more lots. He stated that in addition, if there was surface water being used for irrigation on land, the surface water was still used for irrigation when the land was developed. He stated that counties considered water issues as part of their comprehensive plans.

DISCUSSION: **Senator Winder** asked about considerations regarding the size of the lots. He also asked if the legislature was trying to overregulate domestic water use, which was less than 3 percent of the total water used in the State. He asked if this could lead to curtailments and wanted to ensure that agriculture was not affected. **Senator Anthon** replied that all were partners together in the water issue. He remarked that the loss of agricultural lands must be considered. He stated there was a tension between the use of groundwater and other water uses. He remarked that the votes were in the 3 percent, and continued attention was merited.

MOTION: **Senator Winder** moved to send **RS 31372** to print. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Chairman Guthrie passed the gavel to Vice Chairman Bernt.

RS 31374 **Relating to Elections.** **Senator Guthrie** stated **RS 31374** amended sections of Idaho Code related to elections. He remarked that a stalemate occurred due to a debate between a March and a May date for the presidential primary. The impasse resulted in a caucus to determine Idaho's presidential candidate. He remarked that an election was preferred over a caucus. He stated that **RS 31374** determined the primary date to be the third Tuesday in April. He remarked that this matched other election dates and resulted in a savings of \$2.7 million.

DISCUSSION: **Senator Anthon** stated that he preferred a primary election over a caucus. He remarked that the caucus process disenfranchised citizens engaged in the military and missions. He stated that he would support the decision of the party.

MOTION: **Senator Harris** moved to send **RS 31374** to print. **Senator Anthon** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Vice Chairman Bernt passed the gavel back to the Chairman.

EXECUTIVE SESSION: **Pursuant to Senate Rule 20 (E), Two Thirds Vote Required for Executive Session, to Hear the Unclassified Intelligence Briefing from Major Madsen and Sergeant Lehnertz. Vice Chairman Bernt** motioned for a roll call vote to begin Executive Session.

ROLL CALL VOTE: **Chairman Guthrie** called for a roll call vote. **Senators Bernt, Winder, Anthon, Toews, Wintrow, Ruchti, and Guthrie** voted aye. The motion carried.

ADJOURNED: There being no further business at this time, **Chairman Guthrie** adjourned the meeting at 9:28 a.m.

Senator Guthrie
Chair

Peggy Caraway
Secretary