

MINUTES
SENATE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Tuesday, February 27, 2024

TIME: 1:30 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Cook, Senators Lakey, Guthrie, Ricks (Ricks), Foreman, Hartgen, Lenney, Ward-Engelking, and Ruchti

ABSENT/ EXCUSED: None

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 Cook** called the meeting of the Senate Commerce and Human Resources Committee (Committee) to order at 1:30 p.m.

GUBERNATORIAL APPOINTMENT VOTE: **Senator Ward-Engelking** moved to send the Gubernatorial appointment of Lisa Odom to the Idaho Insurance Exchange Board. **Senator Hartgen** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Lakey** moved to approve the Minutes of February 15, 2024. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Hartgen** moved to approve the Minutes of February 20, 2024. **Senator Lenney** seconded the motion. The motion carried by **voice vote**.

H 466

ARCHITECTS - Amends existing law to include responding to solicitations for services within the practice of architecture and to provide that a firm offering to practice in Idaho shall identify an Idaho-licensed architect who will supervise such services. **Representative Mathias** stated this bill aimed to level the playing field between Idaho-based architectural firms and national firms when bidding on State projects. This bill amended Idaho Code § 54-303 to clarify that the "practice of architecture" also included "submitting a response" to a Request for Proposal (RFP) or a Request for Quotation (RFQ). It amended Idaho Code § 54-305 to make clear that a firm that "offered to practice" must have an Idaho licensed architect "supervise the architectural services" listed in the proposal. **Representative Mathias** stated this legislation caused no additional expenditure of funds or decrease in revenue at the State or local level, and caused no fiscal impact.

DISCUSSION: **Senator Foreman** queried if the current law required that a licensed architect or an Idaho licensed architect supervised architectural services. **Representative Mathias** indicated the law did not require a licensed Idaho architect to perform this service. **Senator Foreman** commented the best architectural firm should be chosen regardless of whether they were from out-of-state or not licensed in Idaho. **Representative Mathias** stated the purpose of awarding a contract to an Idaho licensed firm was because they oversaw the building project and they knew the Idaho Building Code.

Senator Guthrie commented that an Idaho architect was ultimately responsible and first in the line of fire if anything went wrong. **Senator Ruchti** stated it was important to have a professional organization oversee

a profession because if someone was not an Idaho licensee and made a mistake, there was no way to hold them responsible.

TESTIMONY: **Mark Heazle**, Lombard/Conrad Architects, testified in support of the bill. He noted licensure was paramount and protected the health, safety, and welfare of the public. Companies that were awarded a job and not adequately licensed caused issues with codes and regulations.

DISCUSSION: **Senator Foreman** queried if it was true that everything was inspected. **Mr. Heazle** stated the International Building Code was followed. He explained those laws and regulations could be modified by the State and cities. Architects had to stamp plans and take liability for those documents.

Senator Hartgen queried if the RFP had to show an architect was licensed in Idaho. **Mr. Heazle** remarked that what was overlooked in the RFQ was that architects took the liability for the drawings, but they did not have a licensed architect in the State of Idaho supervising architectural services. This issue created problems and created months of delays.

Senator Lakey and **Mr. Heazle** discussed the idea that a newly licensed architect did not mean they were better than a firm that had 30 years of experience. **Mr. Heazle** pointed out if an architect came to Idaho and tried to work as a licensed professional, they must be licensed. **Senator Lakey** questioned the use of the word "supervise." **Mr. Heazle** explained the person stamping the plans took on the liability, meaning there were life safety issues. It was important the person responsible had the proper qualifications.

TESTIMONY: **Benn Brocksome**, American Institute of Architects (AIA-Idaho), testified in support of the bill. He noted this legislation tried to close a loophole. The goal of this legislation was to have a licensed Idaho architect supervise services.

MOTION: **Senator Hartgen** moved to send **H 466** to the floor with a **do pass** recommendation. **Senator Ward-Engelking** seconded the motion.

DISCUSSION: **Senator Foreman** stated he understood the intent of the bill. He did not see this bill to be relevant and he thought it was restrictive. Additional expenses did not need to be incurred to hire an Idaho architect. He stated he would vote nay.

VOICE VOTE: The motion to send **H 466** to floor with a **do pass** recommendation carried by **voice vote**. **Senators Foreman** and **Lenney** voted nay.

S 1298 **PLATS AND SURVEYS - Amends existing law to revise definitions regarding the basis of bearing as it pertains to plats and surveys.** **Senator Ruchti** explained this legislation amended Idaho Code §§ 50-1301 and 55-1902 to revise the definition of "Basis of Bearing." The revision created two options for defining the Basis of Bearing rather than a two-prong definition. He noted enactment of this legislation had no impact on the General Fund other than the minimal costs involved with making the requisite ministerial change to Idaho Code. He noted the changes in the language in this bill brought it in line with the way surveyors were currently doing their work.

Written testimony in support of this bill was submitted by Thomas Judge, former Deputy Director for the Board of Engineers and Surveyors (Attachment 1).

MOTION: **Senator Foreman** moved to send **S 1298** to the floor with a **do pass** recommendation. **Senator Lenney** seconded the motion. The motion carried by **voice vote**.

S 1299

LABOR - Amends and repeals existing law to remove an obsolete code section and references to that code section. **Senator Ruchti** explained this legislation repealed Idaho Code § 44-2012, which the U.S. Court of Appeals, Ninth Circuit, held in 2015 was pre-empted by the National Labor Relations Act (NLRA) in *Idaho Building and Construction Trades Council, AFL-CIO v. Inland Pacific Chapter of Associated Builders and Contractors, Inc.* The result was the statutory language contained dead letters that were of no force or effect in Idaho law and should be removed to avoid confusion for those who came across the statutory language and thought it was valid. **Senator Ruchti** noted enactment of this legislation had no impact on the General Fund other than the minimal costs involved with making the requisite ministerial change to Idaho Code.

DISCUSSION:

Senator Lenney queried if this bill solved a problem or were there any problems. **Senator Ruchti** remarked he had not heard of any problems other than the current legislation caused confusion.

Senator Ricks asked if this legislation changed anything in the right to work law. **Senator Ruchti** explained that section was removed by this new bill. He noted the NLRA preempted this code.

MOTION:

Senator Ward-Engelking moved to send **S 1299** to the floor with a **do pass** recommendation. **Senator Foreman** seconded the motion. The motion carried by **voice vote**.

S 1296

Bitcoin - Adds to existing law to establish the Bitcoin Protection Act to provide for certain rights regarding the mining and use of Bitcoin. **Senator Herndon** gave a tutorial on Bitcoin (Attachment 2). He explained this legislation added a new chapter to Idaho Code related to Bitcoin mining. It contained legislative findings that Bitcoin mining brought positive economic value to individuals, corporations, and other interests in the State. This legislation protected the right of individuals and businesses to mine Bitcoin in the State of Idaho by prohibiting regulations that imposed certain requirements on Bitcoin mining. This legislation also prohibited the Public Utilities Commission (PUC) from establishing rate classifications for Bitcoin mining. He noted it further prohibited regulations that impaired the use of Bitcoin for the purchase of goods and services, and it prohibited special taxes from being enacted solely because Bitcoin was used as a method of payment in a transaction. He also went over the handout, "Simplifying Crypto Projects" (Attachment 3).

Senator Herndon reported there was not expected to be an impact on State or local funding, since this legislation protected private property rights related to Bitcoin and prohibited certain regulations and special taxation of Bitcoin transactions. He referred to the Market Screener from IDACORP, Incorporated, referring to blockchain technology (Attachment 4).

DISCUSSION:

A lengthy discussion ensued among the Committee members relating to the control of Bitcoin, the targeting of businesses, fraud, home Bitcoin mining businesses, whether Bitcoin was money, and the use of Bitcoin for small purchases.

TESTIMONY:

The following testified in support of the bill: **Niklas Kleinworth**, Idaho Freedom Foundation, and **Dennis Porter**, Chief Executive Officer and Co-founder of an advocacy group.

DISCUSSION:

Other topics discussed by the Committee with Mr. Porter included that Bitcoin did not stabilize the system, the use of power for the Bitcoin mining computers, and energy incentives.

TESTIMONY: **Megan Ronk**, Director of Economic Development, Idaho Power, testified in opposition to the bill. She stated Idaho Power worked with cryptocurrency miners. She remarked a section of the bill was duplicative and confusing. She noted the other concern was the entire legislation was structured about Bitcoin only and there were many other digital currency companies. The grid created more demand on the system.

Written testimony was received in support of the bill from **David Reilly**, representing himself (Attachment 6).

Written testimony was received in opposition to the bill from Avista (Attachment 5); **Mary Ollie** and **Robin Lundgren** (Attachment 6).

DISCUSSION: **Senator Lakey** queried if there was an opportunity to make technical corrections and work with Senator Herndon. **Ms. Ronk** stated she had not been involved with any conversations with Senator Herndon.

MOTION: **Senator Foreman** moved to send **S 1296** to the 14th Order of business for possible amendment. The motion died due to the lack of a second.

DISCUSSION: **Chairman Cook** stated he wanted more time to discuss this bill. He stated if there were no objections, the bill would be held until Thursday, February 29, 2024. There were no objections.

ADJOURNED: There being no further business at this time, **Chairman Cook** adjourned the meeting at 3:07 p.m.

Senator Cook
Chair

Linda Kambeitz
Secretary