

MINUTES
SENATE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Tuesday, January 19, 2021

TIME: 1:15 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Patrick, Vice Chairman Souza, Senators Martin, Lakey, Guthrie, Agenbroad, Riggs, Ward-Engelking, and Burgoyne

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 Patrick** called the meeting of the Senate Commerce and Human Resources Committee (Committee) to order at 1:15 p.m.

GUBERNATORIAL REAPPOINTMENT: **Committee Consideration of the Gubernatorial Reappointment of Jeff Cilek, Public Employee Retirement System of Idaho (PERSI) Board.**, of Chubbuck, Idaho, term commencing July 1, 2020, and expiring July 1, 2025. **Mr. Cilek** gave a brief overview of his background and job history, including his position as Vice President of External Relations for St. Luke's Health System. **Mr. Cilek** noted this was his fourth appearance before the Committee. He remarked PERSI is strong and well-funded, which is important for recruiting employees. Currently, he is serving as Chairman of the PERSI Board.

DISCUSSION: **Senator Agenbroad** queried what challenges Mr. Cilek saw on the horizon. **Mr. Cilek** remarked the hardest challenge was to maintain stability for the PERSI Board.

MOTION: **Senator Lakey** moved to send the Gubernatorial reappointment of Mr. Cilek to the PERSI Board to the floor with the recommendation that he be confirmed. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL REAPPOINTMENT: **Committee Consideration of the Gubernatorial Reappointment of Steve Landon, State Insurance Fund Board (SIFB)**, of Boise, Idaho, term commencing April 30, 2020, and expiring April 30, 2024. **Mr. Landon** gave a brief overview of his background and job history. He noted he retired in 2013 from the J.R. Simplot Don Plant in Pocatello. **Mr. Landon** noted this was his fourth appointment to the SIFB, where he currently serves as Representative of Labor. He remarked the State Insurance Fund (SIF) competes in Idaho and across states for business.

DISCUSSION: **Senator Lakey** stated he has had the pleasure of serving with Mr. Landon on the SIFB. Mr. Landon has a good common sense approach. He asked Mr. Landon what challenges were on the horizon and how would he handle those demands. **Mr. Landon** answered that by participating in virtual meetings, the SIF has expanded, becoming more efficient when serving customers and agents.

MOTION: **Senator Guthrie** moved to send the Gubernatorial reappointment of **Steve Landon** to the SIFB to the floor with the recommendation that he be confirmed. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Minutes of January 12, 2021.** **Senator Agenbroad** moved to approve the Minutes of January 12, 2021. **Senator Martin** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Chairman Patrick passed the gavel to Vice Chair Souza to introduce presenters for the rules review.

DOCKET NO. 24-3001-2000F **Rules of the Idaho Accountancy Board, Omnibus Rulemaking**, p. 187. **Dawn Hall**, Section Chief, Idaho Division of Occupational and Professional Licenses (IDOPL), reported the rules were previously approved and there were no substantive changes. She introduced Kent Absec, Executive Director, Idaho State Board of Accountancy, noting he would be available to answer any questions.

MOTION: **Senator Martin** moved to approve **Docket No. 24-3001-2000F**. **Senator Agenbroad** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 24-3201-2000F **Rules of the Idaho Board of Licensure of Professional Engineers and Professional Land Surveyors (IPELS), Omnibus Rules, Fee Rule**, p. 203. **Michelle Bird**, Section Chief, IDOPL, reported the rules were previously approved and there were a few changes. She introduced Keith Simila, Executive Director, IPELS, who would be available to answer any questions. **Ms. Bird** reported some of the changes would amend the continuing professional development rule by reducing words, simplifying the requirements, and adding a provision that allows the IPELS to waive the Continuing Professional Development (CPD) rule during times of emergency. In addition, the definition of misconduct was modified to correct an oversight from last year when four chapters were consolidated into one. The change relates to a licensee's obligation to comply with the rules and statutes of the IDOPL Board.

MOTION: **Chairman Patrick** moved to approve **Docket No. 24-3201-2000F**. **Senator Martin** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 24-3940-2000F **Safety Rules for Elevators, Escalators, and Moving Walks, Fee Rule**, p. 306. **Ms. Bird** reported the rules were previously approved and there were no changes. She introduced Patrick Grace, Regional Manager, IDOPL, who would be available to answer any questions. **Ms. Bird** gave a brief summary and noted the rule mirrors codes previously adopted.

MOTION: **Senator Guthrie** moved to approve **Docket No. 24-3940-2000F**. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 48-0101-2000F **Rules of the Idaho Grape Growers and Wine Producers Commission, Omnibus Rulemaking, Fee Rule**, p. 341. **Brenna Christison Smith**, Operations and Finance Manager, Idaho Grape Growers and Wine Producers Commission, reported there were no substantive changes to these rules.

MOTION: **Senator Guthrie** moved to approve **Docket No. 48-0101-2000F**. **Senator Martin** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 59-0101-2001 **Pending Rules for the Public Employee Retirement System of Idaho (PERSI)**, p. 19. **Don Drum**, Executive Director, PERSI, reported on an extensive change last year regarding public safety officers. He also said a number of rules were no longer needed. Legislators removed terms from the statute due to federal changes, which are now reflected in this rule.

DISCUSSION: **Vice Chair Souza** asked if this rule was the same that was approved last year in this Committee. **Mr. Drum** replied in the affirmative.

MOTION : **Senator Lakey** moved to approve **Docket No. 59-0101-2001**. **Senator Agenbroad** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 17-0000-2000F **Rules of the Idaho Industrial Commission (IIC), Omnibus Rulemaking, Fee Rule**, p. 41. **Sonnet Robinson, Referee, IIC**, indicated there were no changes to the rules approved in 2020.

MOTION: **Senator Martin** moved to approve **Docket No. 17-0000–2000F**. **Senator Guthrie** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 18-0801-2001 **Pending Rules of Adoption of the International Fire Code**, p. 15. **Dean Cameron**, Director, Idaho Department of Insurance (IDOI), reported certain rules can be exempt that are not applicable to the IDOI. **Mr. Cameron** noted this rule relates to the regulation of food trucks, which are already regulated by the Idaho Department of Health and Welfare. **Mr. Cameron** reported the IDOI will not inspect these trucks and is exempt from regulating or overseeing the food trucks. The purpose of this rule is to amend a previous pending rule and add it to the exemption list.

MOTION: **Senator Martin** moved to approve **Docket No. 18-0801–2001**. **Chairman Patrick** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Vice Chair Souza passed the gavel back to Chairman Patrick.

RS 28112 **Relating to the State Fire Marshal (SFM)**. **Mr. Cameron** indicated this bill would include the SFM and SFM deputies in the same definition as firefighters. He noted the SFM and deputies are exposed to the same horrific events as others who already fit the definition. In many cases they are on the scene at the same time as firefighters and have the duty to determine the cause of an explosion or fire that led to the fatalities. They can often be exposed to the same difficult and emotionally distressing situations for a longer period of time than other fire personnel.

Mr. Cameron advised including the SFM and deputies in the definition of firefighter. Uniformity and a potential career path would be provided for firefighters. The current standard would require a firefighter to reduce employment benefits to become a SFM or a SFM deputy.

Mr. Cameron said there is no fiscal impact to the General Fund or any other fund. Projections originally estimated for a cost to workers' compensation due to adding Post-Traumatic Stress Disorder (PTSD) for firefighters were much less than expected and there has been no additional cost to date.

DISCUSSION: **Senator Ward-Engelking** asked if coroners would be included in this legislation or if a separate bill be needed, **Mr. Cameron** remarked there should be a separate bill. **Mr. Cameron** pointed out there was a concern about what costs would be incurred if PTSD was added to workers' compensation insurance for coroners. He cited there was no increase.

Senator Martin queried if there would be any effect on retirement for coroners. **Mr. Cameron** cited by changing a definition there would be a retirement effect on all of these individuals. One of the main reasons the SFM cannot hire a firefighter as an SFM is due to the retirement Rule of 80, which would decrease retirement for these individuals to the Rule of 90. This is the reason why this legislation is being brought to the Legislature so firefighters would be encouraged to apply to become a SFM.

Senator Burgoyne remarked he liked this legislation because the former law was poorly written.

Senator Guthrie noted he wanted to know more about the Rule of 80 when Director Cameron came back before the Committee.

MOTION: **Senator Guthrie** moved to send **RS 28112** to print. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

RS 28069 **Relating to Workers' Compensation. Kamerron Slay**, Commission Secretary, IIC, indicated consistent with the Governor's Red Tape Reduction Act, this bill seeks to eliminate inactive provisions of law. This legislation consolidates duplicative definitions for "burial expenses" from Idaho Code §§ 72-102(4) and 72-436. The elimination will remove obsolete language and make the statute easier to interpret.

Ms. Slay indicated there is no fiscal impact to any fund sources. Although there is a fiscal amount listed as part of the definition, the amount is moving from one section of the statute to another. This amount is paid by workers' compensation sureties in the event of work-related death, and are not State funds.

MOTION: **Senator Burgoyne** moved to send **RS 28069** to print. **Vice Chair Souza** seconded the motion. The motion carried by **voice vote**.

RS 28126 **Relating to Coordinate System of Land Description. Ms. Bird** introduced Tom Judge, Deputy Director, IPELS. **Mr. Judge** noted the purpose of this legislation is to improve the way Idaho adopts new datums and mapping projections defining Idaho State plane coordinates and to align with modern uses of measurements and geographic data. It also will remove the requirement for an annual report. The performance report required of all agencies is in lieu of the annual report.

Mr. Judge said there is no fiscal impact to the amended requirement for an annual report, as this legislation replaces the prior state plane coordinate legislation.

MOTION: **Senator Martin** moved to send **RS 28126** to print. **Vice Chair Souza** seconded the motion. The motion carried by **voice vote**.

RS 28127 **Relating to Dentists. Susan Miller**, Executive Director, IDOPL, reported this bill removes obsolete and outdated sections. This bill also ensures a dentist cannot limit a patient's right to file a complaint with the Idaho State Board of Dentistry. **Ms. Miller** said this is a housekeeping rule that removes a requirement to report, that is already in statute.

This legislation will have no fiscal impact on the General Fund or the Idaho State Board of Dentistry's dedicated fund.

MOTION: **Senator Burgoyne** moved to send **RS 28127** to print. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

RS 28136 **Relating to Commercial Transactions. Anthony Polidori**, Deputy Director, Consumer Finance, Idaho Department of Finance (IDOF), stated this legislation creates efficiencies in licensing processes and reduces licensing requirements for regulated lenders and payday lenders by requiring the use of an electronic system of licensing. Additionally, the legislation modifies provisions related to administrative and civil remedies applicable to persons offering consumer credit in Idaho.

Mr. Polidori remarked the legislation does not alter license application fees collected by the IDOF from licensees or license applicants and it does not alter the application of the Idaho Credit Code licensing requirements to entities conducting covered activities in Idaho. There is no estimated fiscal impact to the IDOF State Regulatory Fund (Finance Administrative Account) (FIAA).

DISCUSSION: **Senator Agenbroad** asked Mr. Polidori, when he comes back before the Committee, why some liquidity requirements were removed.

MOTION: **Senator Agenbroad** moved to send **RS 28136** to print. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

RS 28117 **Relating to Collection Agencies.** **Mr. Polidori** stated this proposed legislation adds a provision to allow collection agencies to collect incidental charges included in the contract between the creditor and the debtor. Additionally, the legislation creates licensing efficiencies by requiring the use of an electronic system of licensing and allowing for reinstatement of an expired license. Further, the legislation revises license, registration, and renewal application fees, while also eliminating a licensing requirement regarding a licensee. This measure is intended to also limit a consumer's exposure to attorney's fees and legal costs prior to an account being reduced to a judgment to only those actual attorney or litigation costs incurred as authorized through a future negotiated rulemaking. Finally, the legislation changes quarterly agent reporting requirements to an annual requirement, thereby eliminating the fees for quarterly reporting.

. The fiscal impact to the IDOF FIAA is an estimated reduction of \$250,000 in fiscal year (FY) 2021.

DISCUSSION: **Vice Chair Souza** queried if there was a similar bill last year before the Committee. **Mr. Polidori** answered in the affirmative, but remarked some changes were made relating to electronic licensing and the reduction of licensing requirements. **Vice Chair Souza** indicated one of the sticking points was the collection of fees. **Mr. Polidori** stated he recalled allowable fees and specific sideboards were implemented not allowing overcharges of legal costs. **Vice Chair Souza** asked if during negotiations if there was anyone on the opposite side of the issue, which would provide a balance in the information that is sent to the Committee. **Mr. Polidori** reported that discussions with the members of the Idaho Collectors Association and with the IDOF Board were favorable.

Senator Guthrie asked for clarification on the fiscal note as to whether there were savings, an impact for one year, or ongoing. **Mr. Polidori** indicated there was a one-time reduction over the next FY.

Senator Lakey advised he would have some questions regarding attorney's fees and what is considered reasonable.

MOTION: **Senator Guthrie** moved to send **RS 28117** to print. **Senator Agenbroad** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairman Patrick** adjourned the meeting at 2:22 p.m.

Senator Patrick
Chair

Linda Kambeitz
Secretary