

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Wednesday, February 08, 2017

TIME: 9:30 A.M.

PLACE: Room EW40

MEMBERS: Chairman Loertscher, Vice Chairman Monks, Representatives Luker, Crane, Palmer, Barbieri, Holtzclaw, Harris, Armstrong, Giddings, Manwaring, Zito, Scott, Smith, Jordan

**ABSENT/
EXCUSED:** None

GUESTS: Roger Batt, Idaho Grape and Wine Producers; Jeff Harvey, Secretary of State; Pam Eaton, Idaho Retailers Association; Greg Casey, Veritas Advisors.

Chairman Loertscher called the meeting to order at 9:30 a.m.

MOTION: **Rep. Armstrong** made a motion to approve the minutes of the February 6, 2017 meeting. **Motion carried by voice vote.**

RS 25020C1: **Jeff Harvey**, Deputy Director, Corporations Division, Secretary of State, presented **RS 25020C1**, proposed legislation that repeals the current notary statutes and introduces a completely new notary act, "revised Uniform Law on Notarial Acts", utilizing a draft that was originally provided by the Uniform Law Commission. The primary purpose of this new Act is to provide notaries public with the option to use technology to perform notarial acts. Also introduced under this Act is an education and testing requirement for new notaries, with a future effective date of July 1, 2019. He stated the education/training requirement of this bill will have an estimated fiscal impact of \$18,000. However, the cost for development is included in the Secretary of State's appropriation for implementation of a Corporations Software Solution.

In response to committee questions, **Mr. Harvey** stated the Secretary of State's office will create an online education course available to all new notaries that will be free of charge. He stated existing notaries will be grand-fathered in and will not be required to take the test. Traditional notaries would benefit from more education. He stated there will be a \$20.00 fee associated with notaries who would like to become electronic notaries.

MOTION: **Rep. Monks** made a motion to introduce **RS 25020C1**. **Motion carried by voice vote.** **Rep. Scott** requested to be recorded as voting **NAY**.

RS 25137: **Rep. Giddings** presented **RS 25137**, proposed legislation that allows the Board of County Commissioners to make certain appointments to the Cemetery Maintenance Board, the Fire Protection Board and the Recreation District Board. She stated there are 379 Boards, each Board has three commissioners, the Governor appoints 4,800 positions and has to fill the positions within 15 days. She stated there is no fiscal impact since this bill simply passes the appointing function from the Governor to the counties, and it requires no additional staff nor resources in either location.

MOTION: **Rep. Holtzclaw** made a motion to introduce **RS 25137**. **Motion carried by voice vote.**

Chairman Loertscher turned the gavel over to **Vice Chairman Monks**.

RS 25092: **Chairman Loertscher** presented **RS 25092**, proposed legislation addressing a constitutional compliance problem by amending language under Title 67, Chapter 429B, Idaho Code, that contradicts Article 3 of the Idaho Constitution. The amendment removes any ambiguity in the statute over whether or not a Tribal Video Gaming Machine can be a house-banked slot machine. He stated 429B was enacted by an Initiative and can be reviewed by the Legislature or by another initiative. This would make it clear that any gaming in Idaho would have to abide by the Idaho Constitution.

In response to committee questions, **Chairman Loertscher** stated the compact should not override the Constitution. He stated the Courts have not addressed the issue, they are there to interpret the constitutionality of the laws.

Rep. Jordan invoked Rule 38 and stated a possible conflict of interest but that she would be voting.

MOTION: **Rep. Harris** made a motion to introduce **RS 25092**. He spoke to the motion and stated regardless of the past, there should not be statutes that contradict the Idaho Constitution. **Motion carried by voice vote.** **Rep. Smith and Jordan** requested to be recorded as voting **NAY**.

H 92: **Roger Batt**, Idaho Grape and Wine Producers, presented **H 92**, a bill that amends Idaho's definition of dessert wine. The current definition states that dessert wine can only be labeled as such pursuant to federal standards as "port", "sherry" or "madeira." Idaho wineries are not allowed to label their products as "port", "sherry" or "madeira" due to federal certification of labeling origination issues so the Industry is asking for the definition to be revised to state that dessert wine shall have the taste, aroma and characteristics attributed to "port", "sherry" and "madeira." The Industry is requesting an additional change in the definition of dessert wine by changing the alcohol content from 21 percent to 24 percent to reflect the federal standards of 24 percent for this type of wine. Other states such as Oregon, Washington and California have adopted this federal standard. This Legislation also would not require Idaho wineries to purchase a beer license to sell wine on the winery's original licensed premises. Similar Legislation was passed by the Idaho Legislature in 2010 to exempt wineries from having to purchase a beer license when selling wine by the drink or at retail off of the winery's originally licensed premises.

MOTION: **Rep. Holtzclaw** made a motion to send **H 92** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Troy** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:17 a.m.

Representative Loertscher
Chair

Kasey Winder
Secretary