

MINUTES
HOUSE STATE AFFAIRS COMMITTEE
LUKER SUBCOMMITTEE
Rules - Subcommittee #2

DATE: Monday, January 21, 2013

TIME: 9:30 A.M.

PLACE: Room EW40

MEMBERS: Chairman Luker, Representatives Packer, Woodings, McMillan

**ABSENT/
EXCUSED:** None.

GUESTS: Tim Olson, Pinnacle Business Group; Becky Schroeder, Idaho Lottery; Jeff Anderson, Idaho Lottery; Dennis Stevenson, Administrative Rules; Raeveen Welton, Westerberg and Associates; Jeremy Pisca, Risch Pisca.

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

DOCKET NO. 52-0102-1201: **Jeff Anderson**, Director, Idaho State Lottery, presented **Docket No. 52-0102-1201** regarding rising administrative costs related to charitable gaming and implement changes made by the legislature last year to address that problem.

MOTION: **Rep. Packer** made a motion to recommend approval of **Docket No. 52-0102-1201** to the full committee. **Motion carried by voice vote.**

DOCKET NO. 52-0103-1202: **Jeff Anderson**, Director, Idaho State Lottery, presented **Docket No. 52-0103-1202** regarding rules governing online gaming audits and reviews and eliminates antiquated procedures which are covered by more up to date processes, and clarifies procedures for handling joint claims on prizes.

In response to questions, **Mr. Anderson**, stated that currently vending machines only accept cash and retail vendors accept all forms of payment.

MOTION: **Rep. Woodings** made a motion to recommend approval of **Docket No. 52-0103-1202** to the full committee. **Motion carried by voice vote.**

DOCKET NO. 52-0103-1203: **Jeff Anderson**, Director, Idaho State Lottery, presented **Docket No. 52-0103-1203** regarding rules introducing scratch style games on touchscreen online terminals.

In response to questions, **Mr. Anderson**, stated there are two types of machines that sell games, the Red Ball machine and the Interlot for Megadraw games. He stated the new rule relieves pressure on retailers when the jackpots get very large. He also stated the multipurpose devices have a receipt system that print the secured date and the numbers on them. He also stated that the new type of game, the instant win type, presents the winner with a voucher that they can redeem at a retailer. He also indicated that the touchscreen terminals are already in use for two types of games and this amendment simply allows the addition of an additional type of game.

MOTION: **Rep. Packer** made a motion to recommend approval of **Docket No. 52-0103-1203** to the full committee. **Motion carried by voice vote.**

DOCKET NO. 52-0103-1201: **Jeff Anderson**, Director, Idaho State Lottery, presented **Docket No. 52-0103-1201**, a Fee Rule regarding purchasing electronic lottery tickets .

In response to questions, **Mr. Anderson**, stated it costs \$0.30 to \$0.70 per transaction, so they have chosen to use the \$0.50 fee just to cover the costs. He stated that if they need to reduce the fee or raise it they will do so. He also stated that these fees will only apply to the Big Red machine, payor only machines, and that retailer transactions will not apply.

MOTION: **Rep. Woodings** made a motion to recommend approval of **Docket No. 52-0103-1201** to the full committee. **Motion failed by voice vote.**

There was discussion by the Subcommittee regarding concerns of encouraging people to overextend themselves when playing games.

MOTION: **Rep. McMillan** made a motion to send **Docket No. 52-0103-1201** to the full committee without recommendation for further discussion. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the Subcommittee, the meeting adjourned at 10:01 a.m.

Representative Luker
Chair

Kasey Perkins
Secretary