

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

- DATE:** Wednesday, February 27, 2013
- TIME:** 9:30 A.M.
- PLACE:** Room EW40
- MEMBERS:** Chairman Loertscher, Vice Chairman Batt, Representatives Anderson(1), Andrus, Luker, Crane, Palmer, Sims, Barbieri, Holtzclaw, McMillan, Monks, Packer, Smith, Gannon, Woodings
- ABSENT/
EXCUSED:** None.
- GUESTS:** Ilah Hickman, self; Jeff Anderson, Lottery Commission; Mike Kane, PCI; Stuart Davis, IAHD; Raeleen Welton, Westerberg and Associates; Jeremy Chou, Givens Pursley; Russell Westerberg, CDAR.
- Chairman Loertscher** called the meeting to order at 9:31 a.m.
- MOTION:** **Rep. Packer** made a motion to approve the minutes of the February 19, 2013 meeting. **Motion carried by voice vote.**
- RS 22111:** **Rep. Ward-Engelking** introduced **Ilah Hickman**, presented **RS 22111**, proposed legislation to designate the Giant Salamander as the State Amphibian for the State of Idaho. She stated the salamander lives exclusively in Idaho and its skin looks like the Bitterroot Mountains.
- MOTION:** **Rep. Woodings** made a motion to introduce **RS 22111** and send it directly to the Second Reading Calendar.
- SUBSTITUTE MOTION:** **Rep. Crane** made a substitute motion to introduce **RS 22111**. **Motion carried by voice vote.**
- RS 22000:** **Stuart Davis**, Idaho Association of Highway Districts, presented **RS 22000**, proposed legislation which modifies existing law to provide an exception to the employment of residents of Idaho in public works. He stated that current legislation prevents the state from using any outside contractors. He stated this legislation would allow the state to use contractors from out-of-state if no one in Idaho is available or qualified to do the work needed.
- Rep. Crane** invoked Rule 38 stating a possible conflict of interest but that he would be voting on the legislation.
- MOTION:** **Rep. Anderson(1)** made a motion to introduce **RS 22000**. **Motion carried by voice vote.**
- RS 22059C2:** **Michael Kane**, on behalf of Property and Casualty Insurers Association, presented **RS 22059C2**, proposed legislation allowing the electronic delivery of insurance related documents to an insured person when the insured has affirmatively consented to such delivery. He stated the insured has to go online to sign up for the service and enter an e-mail address to which the documents will be sent.
- MOTION:** **Rep. Crane** made a motion to introduce **RS 22059C2** and refer it to the Business Committee. **Motion carried by voice vote.**
- HCR 11:** **Rep. Gannon** presented **HCR 11**, a concurrent resolution regarding the rejection of the State Lottery Rules, **Docket No. 52-0103-1203**. He stated the rejection includes the placement of continuous-play Lottery machines in nontraditional locations and is not consistent with legislative intent.

Rep. Luker referenced Article 3 of the Idaho Constitution which speaks about the limits of the Idaho State Lottery and wherein it says that "gambling is contrary to public policy and is prohibited."

Jeremy Chou, Givens Pursley, on behalf of Intralot, stated the electronic scratch tickets are available because of new technology. He stated there are already automatic playing machines in bars and other places with age requirements of 21 years of age and older. He stated these are legal games that are offered to the public that are not forced upon them.

In response to committee questions, **Mr. Chou** stated a person must be 18 years of age to play the Idaho Lottery and the Lottery Commission has put into policy that electronic lottery games are only allowed to be used by people over 21 years of age.

MOTION:

Rep. Luker made a motion to send **HCR 11** to the floor with a **DO PASS** recommendation.

In opposition to the motion, **Rep. Barbieri** stated the State of Idaho needs to increase its income somehow because of the need for funding. He also stated that trying to protect people from themselves is not the answer. **Rep. Packer** stated **in opposition** to the motion that the Idaho Constitution is valid but using electronic lottery games does not change the outcomes of the games, it only changes the method in which they are played. **Rep. Palmer** stated **in opposition** to the motion that he does not believe this is an expansion of the Lottery.

In support of the motion, **Rep. Crane** stated that all this concurrent resolution does is confirm the committee's position and prior vote on the Administrative Rules this session and allows the House members as well as the Senate a chance to hear the bill. **Rep. Monks** stated **in support** of the motion that he is concerned about the location of the machines where regulations on people 18 years old and younger is not required. He stated he believes he needs to uphold his oath as a legislator and support the Idaho Constitution, in this case, particularly Article 3 regarding the State Lottery. **Rep. Batt** stated **in support** of the motion that the problem is the age requirement. She stated she believes the policy regarding the age requirements needs to not only be in policy, but in statute as well, and then brought back to the committee.

**ROLL CALL
VOTE:**

Roll Call Vote was requested. **Motion failed by a tied vote of 8 AYE, 8 NAY. Voting in favor** of the motion: **Reps. Loertscher, Batt, Andrus, Luker, Crane, Monks, Smith, and Gannon. Voting in opposition** of the motion: **Reps. Anderson(1), Palmer, Sims, Barbieri, Holtzclaw, McMillan, Packer, and Woodings.**

ADJOURN:

There being no further business to come before the Committee, the meeting adjourned at 10:33 a.m.

Representative Loertscher
Chair

Kasey Perkins
Secretary