

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Monday, March 04, 2013

TIME: 9:00 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: Jeff Anderson, Idaho State Lottery; Russell Westerberg, Wetserberg and Associates; Jonathan Krutz; Michael Duff, United Families of Idaho; Jeremy Chou, Givens Pursley; Charley Jones, Stinker Stores; Suzanne Budge, SBS Convenience Store Association; Pam Eaton, Idaho Retailers Association.

Chairman Loertscher called the meeting to order at 9:00 a.m.

RS 22120: **Patty Tobias** introduced **Senior Judge Varin** to present **RS 22120**, proposed legislation that amends the Child Protective Act and the Termination of Parent and Child Relationship Act recommended by the Supreme Court's Child Protection Committee. He stated the amendments improve the implementation of the Child Protective Act and the Termination of Parent and Child Relationship Act by amending the definition of "aggravated circumstances"; clarifying the definitions of a "protective order" and "protective supervision"; clarifying the time lines for reunification, guardianship, termination of parental rights, and adoption to help children achieve permanency on a timely basis; and to ensure that child welfare practices that affect substantive rights are clearly set forth in Idaho Code.

In response to committee questions, **Judge Varin** stated the judge is given more authority to decide what an aggravated circumstance would be.

MOTION: **Rep. Smith** made a motion to introduce **RS 22120** and refer it to the Judiciary Rules and Administration Committee. **Motion carried by voice vote.**

H 223: **Rep. Nielsen** presented **H 223**, a bill that amends the definition of a concealed weapon to include knives with a blade of four inches or less, lawfully allowed tasers, stun guns, and pepper spray.

MOTION: **Rep. Monks** made a motion to send **H 223** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Nielsen** will sponsor the bill on the floor.

H 120: **Rep. Luker** presented **H 120**, a bill that prohibits the use of credit and debit cards and other electronic fund transfers for purchasing lottery tickets and that any customer operated lottery gaming machines accept only currency or coins. He stated that the current Lottery Rules allow the use of credit card and debit cards but the Commission has not fully implemented that authority. He stated that debit cards are allowed for over the counter transactions for lottery purchases. He stated that there are hidden costs associated with gambling and 2.5% of Americans have a gambling problem according to the Christian Monitor. He stated the National Gamblers Association has grown 10-15% over the past decade. He presented information on the nine hidden costs of gambling that affect society. He stated that studies have shown that using credit cards and/or debit cards to make purchases makes it easier to miss or ignore how much someone is spending.

He stated that five other States in the U.S. have this ban and eight others restrict the use of credit cards. He presented an amendment to the bill which takes out the words "debit cards."

Jeff Anderson, Idaho Lottery Commission, stated he **is opposed** to **H 120** because it is anti-business, anti-consumer, and will hurt the State Lottery, hence the proceeds that go towards education in the State. He stated the studies that **Rep. Luker** referred to were concerning gambling at casinos not lottery playing. He stated the legislation will put undue stress on retailers and will affect the general fund. **Jeremy Chou**, on behalf of Intralot, stated he **is opposed** to **H 120** because it takes the convenience out of convenience stores. He stated it creates longer lines and is inefficient for transactions. **Susanne Budge** Convenience Store Association, stated she **is opposed** to **H 120** and that the vast majority of consumers throughout the State who buy lottery tickets use credit and debit cards to purchase other items as well. She stated this inconvenience would cause problems and interference with businesses and consumers. **Pam Eaton**, Association of Idaho Retailers, stated she **is opposed** **H 120** and added that the prohibiting of using credit and/or debit cards will not stop a problem gambler. She stated the bill is an inconvenience to retailers and consumers and does not address the gambling problem. **Charley Jones**, owner of Stinker Stores, stated he **is opposed** to **H 120** because it prohibits convenience stores from providing convenience to their customers. He stated the bill would make business harder to conduct.

Jonathan Krutz, Stop Predatory Gambling Idaho, stated he is in support of **H 120** and has been studying gambling for 17 years. He stated the addictiveness of gambling comes from the speed of the machines which would include the touch tab machines or kiosks of the lottery. He stated **H 120** is a safeguard that the legislature can put into place that would provide more oversight of the State Lottery. **Michael Duff**, United Families of Idaho, stated he is in support of **H 120** and stated that the Idaho Lottery was controversial even at its conception. He stated **H 120** addresses the ABC's of gambling-addiction, bankruptcy, and crime. He stated electronic gambling helps support gamblers and problems. He stated that by prohibiting the use of credit and/or debit cards, there is an interruption of the convenience of the most addictive form of gambling which is electronic gambling. He also stated that 99.95% of problem gamblers did not seek help until they had almost lost everything and were in bankruptcy or in major debt.

ORIGINAL MOTION:

Rep. Andrus made a motion to send **H 120** to General Orders with amendments attached.

In opposition to the motion, **Rep. Barbieri** stated the legislation does not deal with the problem of gambling.

SUBSTITUTE MOTION:

Rep. Anderson(1) made a substitute motion to **HOLD H 120** in committee.

In opposition to the substitute motion, **Rep. Crane** stated there are too many problems with gambling and debt; the average family has \$15,000 in debt. He also stated that the text in the bill might need to change to reflect the prohibition is for consumers only and not retailers who buy their tickets wholesale.

ROLL CALL VOTE ON SUBSTITUTE MOTION:

Rep. Crane requested a roll call vote on the **Substitute Motion H 120**. **Substitute motion failed by a vote of 6 AYE and 10 NAY**. **Voting in favor** of the motion: **Reps. Anderson(1), Sims, Barbieri, McMillan, Gannon, and Woodings**. **Voting in opposition** to the motion: **Reps. Loertscher, Batt, Andrus, Luker, Crane, Palmer, Holtzclaw, Monks, Packer, and Smith**.

**ROLL CALL
VOTE ON
ORIGINAL
MOTION:**

Roll call vote was requested on the **Original Motion**. **Original motion carried by a vote of 11 AYE and 5 NAY. Voting in favor** of the motion: **Reps. Loertscher, Batt, Andrus, Luker, Crane, Palmer, Holtzclaw, Monks, Packer, Smith, and Gannon. Voting in opposition** to the motion: **Reps. Anderson(1), Sims, Barbieri, McMillan, and Woodings. Rep. Luker** will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the Committee, the meeting adjourned at 10:38 a.m.

Representative Loertscher
Chair

Kasey Perkins
Secretary