

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Friday, March 15, 2013

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman McKenzie, Senators Davis, Fulcher, Hill, Winder, Lodge, Siddoway, Stennett and Werk

**ABSENT/
EXCUSED:**

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 McKenzie** called the meeting to order at 8:00 a.m. with a quorum present.

MOTION: **Senator Lodge** moved to approve the minutes of February 22, 2013. **Senator Siddoway** seconded the motion. The motion carried by **voice vote**.

RS 22170C1 A unanimous consent request to print from the Senate Transportation Committee relating to contiguous state vehicle registration and titling.

MOTION: **Senator Werk** moved to print **RS 22170C1**. **Senator Fulcher** seconded the motion. The motion carried by **voice vote**.

H 192 Relating to Licenses to Carry Concealed Weapons.
Representative Palmer said the purpose of this legislation is to provide for an enhanced carry concealed weapons permit. Training and practice is essential for this enhanced concealed carry permit because of the split-second decision needed if it is necessary to take an individual's life. The National Rifle Association (NRA) supports this bill.

Senator Winder asked Representative Palmer to explain the concept of the enhanced carry permit; the advantages, how it might be carried, and how it impacts reciprocity with other states. **Representative Palmer** stated around 40 states have reciprocity with us so Idahoans can travel while carrying a weapon. **Senator Fulcher** asked if this bill impacts the current concealed weapon permit; is this just another tier? **Representative Palmer** answered that was correct.

Senator Heider stated that the Idaho Sheriff's Association contacted him asking for three changes to the bill; however, they are in favor of the legislation.

1. Renewal notices: the licensee shall be responsible to keep track of their renewal dates and renew their licenses prior to expiration date.
2. Renew the license in whatever county they reside in.
3. An individual who possesses certification may deliver instruction.

Chairman McKenzie asked if an individual's renewal period comes due and they miss that date, would they have to take classes again to receive a renewed license? **Senator Heider** stated that the individual would have to start the process all over again. **Senator Lodge** compared it to renewing a driver's license.

Representative Boyle addressed the amendments from the sponsor's point of view. When the legislation was drafted, they held several meetings where the Sheriff's Association representative was present along with the NRA, legislators and the Fraternal Order of Police. The NRA approved the language in the bill, which is very similar to other states, so that Idaho citizens can carry in other states. It is vital that

a licensee go to the sheriff in their county to renew their license. Renewal notices have been sent out since the concealed weapon process started and renewal is important because without a concealed permit, the penalty is a misdemeanor unlike renewing a driver's license where there is no penalty. If a permit is not renewed within 181 days, then it would require getting a brand new permit. Before the 181 days, a renewal would be filed with a penalty attached. Requiring a law enforcement officer to teach the class is important because they keep their certifications current.

MOTION: **Senator Werk** moved to send **H 192** to the 14th Order for possible amendment. **Senator Siddoway** seconded the motion.

Senator Winder stated that the three amendments to the bill could be worked through and brought back to amend the legislation next year.

SUBSTITUTE MOTION: **Senator Fulcher** moved to amend the motion and send **H 192** to the floor with a **do pass** recommendation. **Senator Davis** seconded the substitute motion. The substitute motion to send **H 192** to the floor with a **do pass** recommendation carried by **voice vote**. **Senator Winder** will sponsor **H 192** on the Senate floor.

H 223 Relating to concealed weapons carry permits for knives. **Representative Pete Nielsen** opened his discussion with a personal family experience involving a citation issued to a family member for having a knife underneath the seat of a car without a concealed weapons permit. To resolve this issue, **H 223** revises section 18-3302, Idaho Code, on page 4, lines 11-14 to include any knife not exceeding a four- inch blade among other items.

MOTION: **Senator Davis** moved to send **H 223** to the floor with a **do pass** recommendation. **Senator Werk** seconded the motion. The motion carried by **voice vote**. **Chairman McKenzie** will sponsor **H 223** on the Senate floor.

S 1126 Relating to lottery prizes. **Jeff Anderson**, Director, Idaho Lottery (Lottery), stated that the last fiscal year the Lottery had set-offs for Health and Welfare in excess of \$35,000 and in excess of \$13,000 for the Tax Commission. **S 1126** was precipitated by legal action against the Lottery and Health and Welfare due to ambiguity in current statute, specifically 56-203E, relating to the immediate transfer of set-offs to Health and Welfare. This legislation will clarify existing statutory procedure for the Lottery's withholding and set-off of lottery winnings for players who have debts owed to the state. When a player comes in for a high share prize, the Lottery has already run their social security number through the Tax Commission and Health and Welfare and can withhold funds and immediately transfer them to the appropriate agency.

MOTION: **Senator Lodge** moved to send **S 1126** to the floor with a **do pass** recommendation. **Senator Siddoway** seconded the motion. The motion carried by **voice vote**. **Senator Lodge** will carry **S 1126** on the Senate floor.

S 1127 Relating to bingo and raffles. **Mr. Anderson** stated that the bill contains recommendations made by the Office of Performance Evaluations (OPE). The changes have been essentially broken down into four parts:

1. Structure of the Bingo and Raffle Advisory Board and the Lottery.
2. How the Commission deals with bingos.
3. How they deal with raffles.
4. Dealing with vendors who are licensed to service charitable gaming licensees.

In February of 2012, the OPE made certain recommendations to reduce unnecessary regulatory burdens on nonprofit organizations and the workload of the lottery staff in charitable gaming.

Chairman McKenzie asked **Mr. Anderson** to go through the changes briefly to clarify that they are or are not substantive for the benefit of the floor sponsor. **Mr. Anderson** proceeded to explain each section that had been updated and changed.

Senator Davis asked if, without this language, is there current statutory authority that allows for the contracting of raffles to be conducted by out of state companies. He was surprised that there was a whole cottage industry that has been created and developed around running raffles. Are there companies that help charitable entities run raffles and, if so, to what degree do they participate? **Mr. Anderson** stated that there was nothing that prohibits out of state contracts other than costs need to remain within the statutory limits. There are consultants who help charitable operators understand how to print their tickets, promote the raffle and assist them with the process of conducting a raffle.

Mr. Anderson deferred to **Amber French**, Deputy Director, Idaho Lottery Security Enforcement Division, to provide further explanation. **Ms. French** stated that her division regulates charitable gaming. There is a twofold answer to the question: 1) There are promotional companies which offer services to charities to run their raffles at a percentage. The charity must run the raffle but there are usually volunteers who do not understand the process and could inadvertently break the law. The intention of this statute is to allow charities to raise the money for charitable functions, not for professionals to come in and make a profit from running these raffles. 2) The drawing must be held in Idaho. The states around us also regulate raffles and gambling. If the license is obtained in Idaho but the drawing is held in another state, they are breaking the law in both states.

Senator Davis asked to be pointed to the language in the legislation that the charity cannot hire a third party company to operate their raffles for them. **Ms. French** indicated that 67-7709 (1) (a) clarifies that the charity has to control the fund raising and accounting for bingo gaming. **Senator Davis** stated he did not see any language in 67-7711 to solve the problem that existed prior to the introduction of this bill. **Ms. French** explained that of the new language is for clarification. Unfortunately, these promotional companies have come forth because they were not specifically precluded in statute.

Senator Davis interprets the language so that if this bill were to become law, then professional raffle operators cannot conduct a raffle out of state. They can do everything else to operate the raffle so long as a charitable purpose or entity understands that they are ultimately responsible for the misconduct of that third party. There are no barriers to third party operators other than what is proposed in this bill. **Ms. French** deferred to Tim Davis, Deputy Attorney General.

Mr. Davis, stated his interpretation: "the operator is ultimately responsible for controlling that raffle." There is no expressed prohibition of contracting with a third party but there are limits on what they can do. **Senator Davis** stated that he is not satisfied with the statutory expressions in that policy. Could a company in Florida set up a website and operate a raffle from Florida? When the raffle was completed, would someone in our state have to do the actual drawing of the raffle ticket. **Ms. French** stated that internet gambling is not allowed in Idaho.

Mr. Anderson continued his explanation of the legislation beginning on page 10.

MOTION:

Senator Werk moved to send **S 1127** to the floor with a **do pass** recommendation. **Senator Stennett** seconded the motion. **Senator Davis** stated he would not be supporting the motion. The motion carried by **voice vote**. **Senator Werk** will carry **S 1127** on the Senate floor.

- S 1134** Relating to the addition of a new section to define "unmanned aircraft system." **Senator Winder** stated this legislation deals with privacy language to try to protect the rights of the individuals from the improper use of unmanned aircraft system. They have worked out an acceptable amendment to the language in section 1.
- MOTION:** **Senator Winder** moved to send **S 1134** to the 14th Order for possible amendment. **Senator Werk** seconded the motion. The motion carried by **voice vote**.
- PASSED THE GAVEL:** **Chairman McKenzie** passed the gavel to the unofficial Vice Chairman, Senator Lodge.
- RS 22243C1** A Concurrent Resolution to continue the Energy, Environment and Technology Interim Committee.
Chairman McKenzie stated that this concurrent resolution will continue the interim committee that deals with issues that have a significant impact on the economy of our state. Policymakers need to be cautious in this arena because of long-lasting and potentially expensive effects on Idaho's economy and it is important for legislators to be informed on energy issues.
- MOTION:** **Senator Hill** thanked Chairman McKenzie for his years of service on this interim committee and moved **RS 22243C1** to print. **Senator Werk** seconded the motion stating that he has served on this interim committee where they have the time to become informed and carry on informal discussions. The committee has done great work for the state.
The motion carried by **voice vote**.
- PASSED THE GAVEL:** **Senator Lodge** returned the gavel to Chairman McKenzie.
- ADJOURNED:** There being no further business, the meeting adjourned at 9:11 a.m.

Senator McKenzie
Chairman

Twyla Melton, Secretary
Assisted by Carol Deis