

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Monday, February 03, 2014

TIME: 8:00 A.M.

PLACE: Room WW55

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

ABSENT/ EXCUSED: Senators Lodge and Siddoway

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 Senate State Affairs Committee (Committee) to order with a quorum present and introduced the first order of business, **RS 22392**, presented by Amber French, Deputy Director of Security, Lottery Enforcement Division.

RS 22392 **Relating to Raffles and Duck Races to remove prize maximums for raffles and duck races and to replace them with a provision to provide for those maximums by a lottery administrative rule .**

Ms. French explained that this is the last of the Office of Performance Evaluation's (OPE) recommendations. The recommendation states that prize maximums for raffles should be removed from Idaho Code and the Idaho Lottery Commission (Commission) should be charged with setting maximum prize amounts for raffles in the Idaho Administrative Code. The amendment would align the way prizes are determined for raffles with those for bingo games. This change will make Title 67, Chapter 77 consistent in regard to prize maximums.

Senator Davis stated that his understanding of the RS is that it removes the cap for the dollar amount on prizes. **Ms. French** said the cap is currently in the administrative rule that mirrors the statute. Section 67.77.08 for bingo prizes refers back to Administrative Rule 62.102 where there are maximums on prize payouts for a bingo game; it would be the same for the raffle. **Senator Davis** stated that the practice is to set a ceiling amount and then allow for adjustment below that amount by administrative rule. This proposal seems to have no ceiling amount. Although there is legislative review and it comes by pending rule, that would only require the adoption by one of the two bodies and would have a potential of "the sky is the limit", although that may not be the intent. **Ms. French** responded that the limit was increased by statute during the last session to \$5,000 per licensure; the \$1,000 cash and the unlimited merchandise still remains. There is no intention to increase that provision. **Ms. French** agreed with Senator Davis' conclusion.

Senator Werk asked for a fuller understanding of the OPE recommendation. **Ms. French** stated that they wanted to be consistent and because bingo has that verbiage that the Commission sets the prize amount, they recommended that it should be the same for raffles.

MOTION: **Senator Werk** moved, seconded by **Senator Stennett**, to send **RS 22392** to print.

DISCUSSION: **Senator Hill** stated he would not support the motion. The Commission should not have more authority in this area. This change takes away the power of the Legislature to set limits for this agency.

Senator Davis said he can't support the motion because he can't support the bill. The Commission may want to reword their bill and put a ceiling on it and then allow for rulemaking authority below that ceiling.

**MOTION
WITHDRAWN:**

Senator Werk acknowledged that these were valid concerns and in order to give the Commission the opportunity to work on this bill, **Senator Werk** withdrew his motion.

Chairman McKenzie stated that the motion has been withdrawn with the consent of the Commission and it will be held at the call of the chair with the expectation that something will come back that is consistent with the comments made by Senator Davis.

Chairman McKenzie provided a road map for the upcoming Committee meetings. There will be three gubernatorial appointments to the Endowment Fund Investment Board and, potentially, the Article V legislation on Wednesday, February 5th. The Guns on Campus bill will be heard on Wednesday, February 12th.

ADJOURNED: There being no further business, **Chairman McKenzie** adjourned the meeting at 8:10 a.m.

Senator McKenzie
Chair

Twyla Melton
Secretary