

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Friday, January 23, 2015

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman McKenzie, Senators Hill, Winder, Siddoway, Lakey, Johnson(Lodge), Stennett and Werk

ABSENT/ EXCUSED: Senator Davis

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 at 8:00 a.m. He introduced Frank Lamb.

DOCKET NO. 11-0402-1401 **IDAPA 11 - IDAHO STATE POLICE, IDAHO STATE RACING COMMISSION**
11.04.02 - Rules Governing Simulcasting

Frank Lamb, Executive Director, Idaho State Racing Commission, explained that **Docket No. 11-0402-1401** establishes rules requiring that a historical racing licensee must have a live racing permit, a current simulcast license and at least one year experience simulcasting live racing.

DOCKET NO. 11-0409-1401 **IDAPA 11 - IDAHO STATE POLICE, IDAHO STATE RACING COMMISSION**
11.04.09 - Rules Governing Claiming Races

Mr. Lamb stated that this rule clarifies that it is not necessary for a horse that has been claimed to reestablish eligibility for a starter allowance race by running in a claiming race. It also states that the use of protective claims is prevented.

DOCKET NO. 11-0410-1401 **IDAPA 11 - IDAHO STATE POLICE, IDAHO STATE RACING COMMISSION**
11.04.10 - Rules Governing Live Horse Races

Mr. Lamb said that this rule allows thoroughbred horses that are owned by the same owner to be uncoupled for wagering purposes. Currently, for thoroughbreds only, if one owner owns two horses that are racing, they are coupled.

Mr. Lamb respectfully requested that the Committee approve these rules and stood for questions.

Chairman McKenzie called for questions from the Committee.

Senator Hill referred to the new Section 049.05. He asked if live racing was required, or do they only need a live racing permit. **Mr. Lamb** responded that they have to have live racing. **Senator Hill** asked what the requirements are for a live racing permit. **Mr. Lamb** said an application, including financials, must be filed with the Commission. The Commission runs a background check. Then the applicant must appear before the Commission for a hearing. **Senator Hill** inquired if there was a fee for the permit, and does the track have to be certified. **Mr. Lamb** answered that the State and schools each get \$25.00 per day. An additional percentage goes to the State. As part of the process, the applicant must provide a detailed description of the facility and proof that it is an approved racing facility.

Senator Winder asked how the Double Down in Idaho Falls was able to have historical racing. **Mr. Lamb** said that it is the only approved off-track facility in the State. It is operated under the Sandy Downs license in Idaho Falls. Statute changes made five years ago allowed a simulcast license to be moved off-track with the Commission's and county commissioners' approval.

Senator Hill said his impression was that there had to be a live track facility to have historical racing. It now appears licenses can be assigned to another location with the approval of the Commission and county commissioners. **Mr. Lamb** concurred.

Senator Werk suggested that the rules being reviewed be set aside for final consideration at a later time.

**UNANIMOUS
CONSENT
REQUEST:**

Senator Winder asked for unanimous consent that the rules from the Idaho Racing Commission be held at the discretion of the Chair. There were no objections.

Chairman McKenzie recognized Bill Roden to present the next agenda item.

RS 23345

RELATING TO HORSE RACING

Bill Roden, representing the Coeur D'Alene Tribe, explained that this bill repeals Idaho Code § 54-2512A. **Mr. Roden** stated that he and his client attended all the meetings related to historical racing in 2013 and did not object to that legislation as presented. The terminals were represented as being the same as a simulcast terminal. The actual terminals for historical racing appear to be very much like slot machines. The Idaho Constitution forbids instruments for wagering that are, or appear to be, slot machines. **Mr. Roden** requested a hearing for this RS.

Senator Siddoway asked if the machines in the Nation's major casinos are the same as the simulcasting machines. **Mr. Roden** said that he has played the machines at Les Bois Park, Jackpot and Las Vegas. The machines at Les Bois Park appear to be slot machines although there is the ability to get to briefly view instructions in the Les Bois machines that normal slot machines do not have.

Senator Siddoway asked if the machines used in the tribal locations are similar to those used for simulcasting. **Mr. Roden** explained that there was full disclosure regarding tribal machines. A description of how they operate is in statute. That is not the case for the historical racing terminals that have been approved by the Commission.

Senator Winder noted that this is a print hearing and the discussion is getting more into what should occur at a public hearing process.

MOTION:

Senator Winder moved to send **RS 23345** to print. **Senator Werk** seconded the motion. The motion carried by **voice vote**.

ADJOURNED:

There being no further business, **Chairman McKenzie** adjourned the meeting at 8:20 a.m.

Senator McKenzie, Chair

Twyla Melton, Secretary