

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Thursday, March 26, 2015

TIME: 9:00 A.M.

PLACE: Room EW40

MEMBERS: Chairman Loertscher, Vice Chairman Batt, Representatives Andrus, Luker, Crane, Palmer, Sims, Barbieri, Holtzclaw, McMillan, Bateman, Cheatham, Nielsen, Smith, Jordan, McCrostie, Wintrow

**ABSENT/
EXCUSED:** Representative(s) Smith

GUESTS: Chip Fisher, Ketchum Venturess.

Chairman Loertscher called the meeting to order at 9:02 a.m.

MOTION: **Rep. Sims** made a motion to approve the minutes of the March 12, 16 (2 sessions), and 17, 2015 meetings. **Motion carried by voice vote.**

RS 23914: **Rep. Miller** presented **RS 23914**, legislation that creates a new specialty license for conference centers in designated resort cities. He stated the new legislation was to replace **H 280**.

In response to committee questions, **Rep. Miller** stated there are currently 14 liquor licenses in the Ketchum area. He stated there is wide support from the City of Ketchum for the special license. He stated the sponsors of the legislation have worked with the Idaho License Beverage Association.

Kate Haas, representing Ketchum Conference Center, was recognized to respond to committee questions. She stated the license will only be available to the 8 resort cities and will be issued on a first come, first serve basis. She stated the Ketchum conference center will only be allowed to sell alcohol when events are being held at the conference center, it will not be a bar-type environment.

Chip Fisher, Ketchum Venturess, was recognized to respond to committee questions. He stated the facility is available but has no business because of the lack of a liquor license for conferences and/or events. He stated there aren't any liquor licenses available for sale in the Ketchum area and the waiting list is very long.

Pam Eaton, President, Idaho Beverage License Association, spoke **in support** of **RS 23914** and stated there are no liquor licenses to purchase in the Ketchum area right now. She stated the other license holders in the area feel that issuing a specialty license for the conference center would bring in more business. She stated the proposed license is not in competition to other license holders. She stated most people who will be attending events at the conference center will be traveling from out of town. She stated resort cities have small populations so they only receive a small amount of allowable liquor licenses but they have heavy traffic due to visitors.

Russell Westerberg, representing Idaho Beverage License Association, spoke **in support** of **RS 23914** and stated there are specific side boards in the legislation and the specialty license does not compete with quota licenses.

Rep. Miller was recognized to give closing testimony. He stated Ketchum is a resort city and attracts a lot of visitors. He said they don't compete with other businesses because the community works together to attract business to the area in which all receive the benefits.

- MOTION:** **Rep. Holtzclaw** made a motion to introduce **RS 23914** and recommend it be sent directly to the Second Reading Calendar. He spoke to the motion and stated he agrees with economic development and we should support that.
- Rep. Barbieri** spoke **in support** of the motion and stated the times have changed and Idaho has become a tourist attraction. He stated specialty licenses need to be allowed to accommodate the economy. He stated the legislation is simple, allows growth, and the parties agree. **Rep. McCrostie** spoke **in support** of the motion and stated he supports the legislation because the other liquor license holders do as well. **Rep. Sims** spoke **in support** of the motion and stated the resale of licenses is not new to the market, it is how the market has worked for years.
- SUBSTITUTE MOTION:** **Rep. Nielsen** made a substitute motion to return **RS 23914** to the sponsor. He spoke to the motion and stated allowing another liquor license will allow people to consume more alcohol. He stated that issuing specialty licenses defeats the liquor license system.
- Rep. Batt** spoke **in support** of the substitute motion and stated the liquor license system needs to be revamped and creating new specialty licenses does not solve the problem.
- MOTION:** **Rep. Wintrow** made a motion to call for the question to end the debate. **Motion carried by voice vote.**
- VOTE ON SUBSTITUTE MOTION:** A roll call vote was requested on the substitute motion. **Motion failed by a vote of 7 AYE, 9 NAY, 1 Absent/Excused. Voting in favor** of the motion: **Chairman Loertscher, Reps. Batt, Andrus, Luker, Crane, Palmer, and Nielsen. Voting in opposition** to the motion: **Reps. Sims, Barbieri, Holtzclaw, McMillan, Bateman, Cheatham, Jordan, McCrostie and Wintrow. Rep. Smith** was absent/excused.
- VOTE ON ORIGINAL MOTION:** A roll call vote was requested on the original motion. **Motion carried by a vote of 9 AYE, 7 NAY, 1 Absent/Excused. Voting in favor** of the motion: **Reps. Sims, Barbieri, Holtzclaw, McMillan, Bateman, Cheatham, Jordan, McCrostie and Wintrow. Voting in opposition** to the motion: **Chairman Loertscher, Reps. Batt, Andrus, Luker, Crane, Palmer, and Nielsen. Rep. Smith** was absent/excused. **Rep. Miller** will sponsor the bill on the floor.
- MOTION:** **Rep. Luker** made a motion to **HOLD H 280** in committee. **Motion carried by voice vote.**
- ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 10:18 a.m.

Representative Loertscher
Chair

Kasey Winder
Secretary