

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Tuesday, March 08, 2016

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:** None

GUESTS: Grant Ipsen, Stop Predatory Gambling Idaho; Jonathan Krutz, Stop Predatory Gambling Idaho; Ralin Flores, CVI; Mike Gilmore, Attorney General; Preston Carter, Givens Pursley; Jeff Anderson, Idaho Lottery; Jeremy Chou, Givens Pursley; Bill Roden, self; Russ Wheatley; ISP; Ken Robies, AG/ISP.

Chairman Loertscher called the meeting to order at 9:01 a.m.

Chairman Loertscher turned the gavel over to **Vice Chairman Batt**.

RS 24665: **Rep. Boyle** presented **RS 24665**, proposed legislation that establishes the Idaho Multiple Use Sustained Yield Act. The Act sets forth parameters under which lands will be managed that Idaho may receive in the future from the federal government, which are not designated endowment lands.

MOTION: **Rep. Crane** made a motion to introduce **RS 24665**. **Motion carried by voice vote. Reps. Smith, McCrostie, Jordan and Wintrow** requested to be recorded as voting **NAY**.

RS 24654: **Grant Ipsen**, Stop Predatory Gambling Idaho, presented **RS 24654**, proposed legislation that re-affirms the parameters of constitutionally limited gambling in Idaho; to restore the integrity of Article III, Section 20 of the Idaho Constitution; to rectify violation of Article III, Section 20 by the Idaho State Lottery Commission; to provide new guidance and definitions related to electronic devices used in gambling; partially remove from Idaho Code the intellectual dishonesty of using slot machines but calling them something else; to protect and defend the citizens of Idaho from the deleterious effects of government-sponsored predatory gambling; and to preserve the intended purpose of the Idaho Lottery by mandating higher rates of return to Idaho schools and the State Building Fund.

Jon Krutz, Stop Predatory Gambling Idaho, spoke **in support** of **RS 24654** and stated the legislation defends the State Constitution. He stated the Idaho Lottery's Touchtabs rapid-bet electronic gambling device is not just an electronic version of a lottery ticket. He stated that like Historic Horse Racing, the Touchtabs are unconstitutional slot machines.

In response to committee questions, **Mr. Krutz** stated he was not familiar with the current Idaho Supreme Court case regarding the constitutionality of gaming in Idaho. He stated he was not qualified to discuss the rulemaking process of the agencies. He stated the legislation was not discussed with the Idaho State Lottery.

MOTION: **Rep. Andrus** made a motion to introduce **RS 24654**.

Rep. Holtzclaw spoke in opposition to the motion and stated there are many inconsistencies in the legislation and this would be a huge policy change. He stated the stakeholders were not involved in drafting the legislation and many questions could not be answered by the sponsor. **Rep. Barbieri** spoke in opposition to the motion and stated the legislation is being introduced late in the session and this is an issue that will take a lot of time, research and discussion.

Rep. Jordan invoked Rule 38 and stated she would still be voting on the legislation.

SUBSTITUTE MOTION:

Rep. McCrostie made a substitute motion to return **RS 24654** to the sponsor.

ROLL CALL VOTE:

Roll Call vote was requested on the substitute motion. **Substitute motion carried by a vote of 9 AYE, 8 NAY. Voting in favor of the motion: Reps. Batt, Sims, Barbieri, Holtzclaw, McMillan, Smith, Jordan, McCrostie and Wintrow. Voting in opposition to the motion: Chairman Loertscher, Reps. Andrus, Luker, Crane, Palmer, Bateman, Cheatham, Nielsen.**

Vice Chairman Batt turned the gavel back over to **Chairman Loertscher**.

H 544:

Rep. Palmer presented **H 544**, a bill that clarifies that the same standard will apply for the content of movies shown in facilities that serve liquor and those that serve beer and wine. The bill replaces standards for the content of movies that may be enforceable with the standards that meet constitutional requirements.

Russ Wheatley, Captain, Idaho State Police/Alcohol Beverage Control, spoke in support of **H 544** and stated the legislation has been reviewed by law enforcement and they are in support. He stated the legislation emphasizes a standard that is in Code which gives industry consistency.

Rep. Sims invoked Rule 38 and stated she would still be voting on the legislation.

MOTION:

Rep. Bateman made a motion to send **H 544** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Palmer** will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 9:32 a.m.

Representative Loertscher
Chair

Kasey Winder
Secretary