

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Thursday, January 23, 2020
TIME: 9:00 A.M.
PLACE: Room EW40
MEMBERS: Chairman Harris, Vice Chairman Armstrong, Representatives Crane, Palmer, Barbieri, Holtzclaw, Monks, Zito, Scott, Andrus, Hartgen, Young, Smith, Gannon, Green
**ABSENT/
EXCUSED:** None
GUESTS: Roger Batt, Earl Sullivan, Idaho Grape Growers and Wine Producers Commission

Chairman Harris called the meeting to order at 9:00 AM.

RS 27369: **Rep. Zito** explained that **RS 27369** would abolish Daylight Savings Time and cited safety concerns.

MOTION: **Rep. Barbieri** made a motion to introduce **RS 27369**. **Motion carried by voice vote.**

RS 27379: **Rep. Jake Ellis** said that **RS 27379** marks January 16th as a day recognizing and commemorating religious liberty. Rep. Ellis said that **RS 27379** does not contradict the Idaho Constitution or the United States Constitution.

In response to committee questions, **Rep. Ellis** said that many people feel their religious beliefs are under attack and because Rep. Ellis believes that religious freedom is an absolute right, the government should make decisions with this right in mind. The principles delineated in **RS 27379** are the principles of the Bill of Rights, the Idaho Constitution, and Article 1 of the US Constitution.

MOTION: **Rep. Green** made a motion to introduce **RS 27379**.

During discussion on the motion, committee members noticed that there was a typo in the SOP. It was requested that the motion be amended to include the correction in the SOP.

**AMENDED
MOTION:** **Rep. Green** made an amended motion to introduce **RS 27379** with the updated SOP. **Motion carried by voice vote.**

H 343: **Rep. Troy** presented **H 343** and turned over the presentation to **Roger Batt**, Idaho Grape Growers and Wine Producers Association. Mr. Batt explained that the wine industry is highly regulated and wineries cannot store wine from other wineries even if they overproduce and run out of storage. Wineries who overproduce and do not have adequate storage spend tens of thousands of dollars a year to ship wine out of state to store it. This bill allows bonded wine warehouses that can store wine from multiple wineries to be built in Idaho. The bill includes two new definitions of bonded wine warehouse and a bonded wine warehouse license. The licensing process is similar to that for wineries. Bonded wine warehouses must get a federal permit.

In response to committee questions, **Mr. Batt** said wineries with off-site storage would need a winery or wine warehouse license. Members of the Idaho Grape Growers and Wine Producers Association will be apprised of the new rules should they pass, and currently licensed wineries will be able to get a license easily. Mr. Batt explained that under current statutes, wineries can only store as much wine as they have room for, so when they overproduce and run out of space, they are required to send the excess wine to a wine warehouse for storage. It is illegal to store wine without proper licensing, so if people are doing that, it is illegal regardless of this law, and they still need to go through a licensing process. This legislation does not affect current wineries unless they have excess wine they need to store off-site. The only product these warehouses can store is wine because this bill was written for the purpose of storing wine according to federal rules. The bond is necessary to cover federal taxes.

In response to concerns about over-regulation, **Mr. Batt** said the association is following federal standards as well as mirroring similar standards other states use.

Earl Sullivan, Chairman of the Idaho Grape Growers and Wine Producers Association and winery owner, testified the regulations in the wine industry do make it impossible for wineries to store wine at another winery's facility and there is a compliance industry that helps navigate state and federal rules. Wine warehouses create logistics and storage industries and regulations need to evolve with those industries. Mr. Sullivan emphasized that most regulation comes from the federal level, not the state itself.

MOTION: **Rep. Green** made a motion to send **H 343** to the floor with a **DO PASS** recommendation.

During discussion on the motion, committee members supported sending the bill to the floor but voiced concerns about the regulation that could potentially have a negative impact on the industry in the future.

VOTE ON MOTION: **Motion carried by voice vote. Rep. Troy** will sponsor the bill on the floor.

H 344: **Rep. Monks** explained **H 344** is a cleanup bill that changes outdated language and removes the requirement to list emergency interim successor information in House Journals. This reflects the current practice of submitting interim successor information to the Secretary of State, who will in turn inform the governor, the Bureau of Homeland Security, and the presiding officer of the House.

In response to committee questions, **Rep. Monks** said that the Bureau of Homeland Security is a federal agency and **H 344** simply reflects the name change of the agency. Committee members expressed uncertainty about the reporting structure with the changed name of the agency.

In response to committee questions and uncertainty, **Rep. Monks** said he was only carrying the legislation and recommended that the committee hold **H 344** until time certain so the original author of **H 344** could be present for questions.

MOTION: **Rep. Crane** made a motion to **HOLD H 344** for time certain until Monday, January 27, 2020. **Motion carried by voice vote.**

MOTION: **Rep. Gannon** made a motion to approve the minutes of the January 10, 2020 meeting. **Motion carried by voice vote.**

MOTION: **Rep. Gannon** made a motion to approve the minutes of the January 20, 2020 meeting. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 9:54 AM.

Representative Harris
Chair

Devon Powers
Secretary