

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Monday, February 01, 2021  
**TIME:** 9:00 A.M.  
**PLACE:** Room EW40  
**MEMBERS:** Chairman Crane, Vice Chairman Armstrong, Representatives Palmer, Barbieri, Holtzclaw, Monks, Scott, Andrus, Young, Furniss, Hanks, Skaug, Gannon, Mathias  
**ABSENT/  
EXCUSED:** None  
**GUESTS:**

**Chairman Crane** called the meeting to order at 9:00 a.m.

**RS 28084:** **Jeff Anderson**, Director of the Idaho Lottery and Idaho State Liquor Division, presented **RS 28084** to provide alcohol permittees / licensees a full year before renewing their permits/licenses for the first time. Currently, if a liquor permit/license is sold later in the year, a new permit/license would have to be purchased at year end for the following year. This proposed legislation will save businesses money and allow the Idaho State Liquor Division to spread out the process of renewing licenses throughout the year. Further, State Code would also be consistent with the Administrative Rule.

**MOTION:** **Rep. Skaug** made a motion to introduce **RS 28084**. **Motion carried by voice vote.**

**RS 28086:** **Dir. Anderson**, presented **RS 28086** allowing Idaho non-profit organizations to sell distilled spirits in any fashion, including raffles or silent auctions. Currently, these spirits may be donated to an organization but cannot be served or used in any fund raising efforts. Distributors want to support Idaho's non-profits and this will allow them to participate.

In response to questions, **Mr. Anderson** explained there is already a statute for the donation and use of beer and wine being used in this manner and **RS 28086** was drafted to match the existing statute. **Captain Brad Doty** of Alcohol Beverage Control, said no arrests have been made in the past three years for illegal use of distilled spirits at fund raising events but there have been several bottles of spirits confiscated. Non-profit organizations would pay the permit fee of \$50 if they intend to use any donated spirits. The permit application requires the applicant to list the nature of the event, a list of donated products, donors and the outcome of the fund raising event.

**MOTION:** **Rep. Barbieri** made a motion to introduce **RS 28086**.

During discussion, Mr. Anderson stated no limits exist on the amount of spirits that may be donated, as long as there is full disclosure. Rather than quantity, charities typically prefer to auction a rare bottle of alcohol. The spirits must be donated to the charity, not purchased by the charity..

**VOTE ON  
MOTION:** **Motion carried by voice vote.**

**RS 28103:** **Mr. Anderson** presented **RS 28103** which amends 67-7408 in Idaho Code. The amendment will preserve an average of \$14 million per year in Lottery dividends. It would not expand gaming in Idaho. Currently, the Idaho Lottery is a member of the Multi-State Lottery Association (MSLA) and has an agreement to participate in a variety of multi-state games with other states, territories and districts. The MSLA Powerball Game group approved licensing the game in Australia and the United Kingdom. At this time, Idaho Code allows only for participation in multi-jurisdictional games offered in the United States and Canada, Passage of this proposed legislation will allow Idaho to continue participating in Powerball game and benefitting Idaho Schools.

There will be a significant, ongoing negative fiscal impact to the Lottery, Public Schools, the Permanent Building Fund and the Bond Levy Equalization Fund if this proposed legislation is not approved. Average Powerball sales in Idaho at \$28,000,000 per year and the Lottery keeps 50% gross profit from sales on this game.

In response to questions, **Mr. Anderson** said that 50% of monies raised go toward prizes. MSLA pools its money. When large prizes are won, the Association sends money to the State with the winning ticket. All of the smaller prizes are paid out at the state level.

**MOTION:** **Rep. Holtzclaw** made a motion to introduce **RS 28103**. **Motion carried by voice vote. Reps. Scott and Andrus** requested being recorded as voting **NAY**.

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 9:20 a.m.

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Representative Crane  
Chair

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Kelly Staskey  
Secretary