

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, April 21, 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:** Representatives Palmer, Barbieri, Monks  
**GUESTS:** None

**Vice-Chairman Armstrong** called the meeting to order at 9:06 a.m.

**Rep. Mathias** made a motion to approve the minutes of the April 15, 19, and 20, 2021 meetings. **Motion carried by voice vote.**

**DOCKET NO. 15-1000-2000F:** **Tony Faraca**, Chief Deputy of the Idaho Liquor Division presented **Docket No. 15-1000-2000F**. Mr. Faraca said the Rules were reviewed in 2019 in line with the Governor's Red Tape Reduction Act. There is one rule chapter. He indicated the agency reviewed the Rules to identify and delete those that were obsolete, outdated or unnecessary. They reduced licensing and other regulatory burdens, eliminated redundancies, and insured rules were in alignment with State Code. Mr. Faraca said 1,388 words were deleted and 3 pages of text were eliminated, making the rules easier for Idahoans to interpret and use. He indicated no changes were made to the fee rules, no new fees were added, and no new fees were changed.

**MOTION:** **Rep. Furniss** made a motion to approve **Docket No. 15-1000-2000F**. **Motion carried by voice vote.**

**MOTION:** **Chairman Crane** made a motion to remove **15.10.01** from the agenda.

**UNANIMOUS CONSENT REQUEST:** **Chairman Crane** made a unanimous consent request to withdraw his motion. There being no objection, the request was granted.

**MOTION:** **Chairman Crane** made a motion to remove **15.10.01** and **52.01.03** from the agenda. **Motion carried by voice vote.**

**DOCKET NO. 52-0103-2000F:** **Jeff Anderson**, Director of the Idaho Lottery and Idaho Liquor Division, presented **Docket No. 52-0103-2000F**.

**Mr. Anderson** indicated there are three rule sub-chapters in the omnibus action and each is an existing rule that has been previously reviewed and approved by the Legislature. Nothing has changed since the last review.

**Mr. Anderson** said during the Red Tape Reduction Act review, the agency consolidated three chapters into one, making them more user friendly for Idahoans. There were 1,379 words deleted, mostly relating to a rule for a TV game show slated to air as part of the kick-off for the Idaho Lottery. The game show occurred but the rule was retained. Three pages of rules were eliminated. There have been no changes to the fee rules nor increases since the inception of the Idaho Lottery in 1989. Since The Lottery Commission has had oversight of Charitable Gaming since 1992.

In response to questions, **Mr. Anderson** said these rules do not relate to the Powerball game.

**MOTION:** **Rep. Furniss** made a motion to approve **Docket No. 52-0103-2000F**.

In response to questions, **Mr. Anderson** stated negotiations between the Multi-State Lottery Association and several states in Australia have fallen apart. Powerball has been delayed in Australia until 2022. The license for participating in Powerball is similar to the license agreement with the Mega Millions consortium. He stated Powerball will remain available to Idahoans and others after August 23, 2021. Mr. Anderson said the actions of the House State Affairs Committee, in March, did not play a role in the breakdown of the negotiations between Australia and the Multi-State Lottery Association. He also prepared the committee to expect new legislation to be proposed next year to allow Powerball to continue in Idaho.

**Mr. Anderson** said no fee increases have been instituted because there is not an absolute need to raise the fees. Technology has reduced costs and he said he does not want to raise fees unless it is necessary.

**Mr. Anderson** described charitable gaming as a tool for charitable organizations to raise money through bingo and other games. As the charitable gaming regulator, the Idaho Lottery Commission is responsible for overseeing those fund raising games. It runs in a deficit of approximately \$60K. The commercial side of the enterprise absorbs the loss. The fees charged help cover administrative expenses. He indicated raising fees for charitable organizations to utilize gaming simply takes away money for their organizations. Looking at the overall balance sheet, the Lottery Commission is financially stable. Mr. Anderson said spending authority is granted by JFAC but the Idaho Lottery Commission does not receive any general funds. He reported the Idaho Lottery employs the same number of employees as it did when the Idaho Lottery Commission was established in 1989.

**Rep. Armstrong** congratulated **Mr. Anderson** for retaining the same number of employees since the creation of the Idaho Lottery Commission and for not using any general funds.

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

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 9:24 a.m.

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Representative Armstrong  
Vice - Chair

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Kelly Staskey  
Secretary