

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Thursday, March 21, 2024

TIME: 9:00 A.M.

PLACE: Room EW40

MEMBERS: Chairman Crane(13), Vice Chairman Young, Representatives Palmer, Barbieri, Holtzclaw, Scott, Andrus, Skaug, Alfieri, Allgood, Crane(12), Gannon, Achilles

**ABSENT/
EXCUSED:** None

GUESTS: The sign-in sheet will be retained in the committee secretary's office; following the end of session the sign-in sheet will be filed with the minutes in the Legislative Library.

Chairman Crane (13) called the meeting to order at 9:01 AM.

MOTION: **Rep. Achilles** made a motion to approve the minutes from February 29, March 7,11,12, and 15, 2024. **Motion carried by voice vote.**

S 1381: **Rep. Alfieri** presented **S 1381** explaining this legislation allows for 3 additional restaurant liquor licenses in resort cities as defined in the bill.

Mel Dick testified **in opposition** to **S 1381** in its current form asking what will happen to the additional liquor licences when a resort city's population reaches more than 10,000. He also expressed concerns with these restaurants being competition for restaurants which have purchased their liquor licences for over \$200,000. In response to committee questions, Mr. Dick clarified the current paths for getting a liquor licence include either purchasing an existing for a high price, or waiting on the list managed by Alcohol Beverage Control (ABC) which can take multiple years. He also expressed concerns about the legislation allowing Mayors and City Councils to assign these licences without having to go through ABC. He also raised concerns about additional liquor licences creating a demand for additional police presence.

Christina Giordani, City of Bellevue Council President, spoke **in support** of sending **S 1381** to General Orders stating this legislation ensures the hospitality industry can thrive year round in Idaho and encourages local control. In response to committee questions, Ms. Giordani explained she has no concerns with the 60% liquor sales threshold as the average is closer to 20 or 25%.

Jay Veregge, Cutthroat Club, testified **in support** of **S 1381** explaining the lack of a liquor licence puts his restaurant at a deficit. In response to committee questions, Mr. Veregge explained the ability for an upscale restaurant to thrive is in the details and having a liquor licence instead of a beer and wine licence could be an important detail.

Reps. Nelson and Burns testified **in support** of **S 1381** explaining people may not realize how unique resort cities are and how difficult it can be to find a solution for these types of problems. These Idaho cities need flexibility and this bill allows flexibility to foster further economic development and compete nationally.

Blake Youde, Resort Cities Coalition, testified in support of **S 1381** clarifying ABC administers the licences and therefore is still involved in this process. He also explained the proposed amendments which would more clearly define restaurant and allow the city to further restrict the dates and times liquor can be sold. It also clarifies the definition of resort city by adding the provision it can not be within 15 miles of a city with a population of over 50,000 and must have a high peak sewer flow 20% higher than low season. In response to committee questions, Mr. Youde stated they have had conversations with ABC regarding this legislation and their only request was that the fees be clearly outlined. He highlighted these new licences cannot be sold, leased or transferred.

Doug Self, Driggs Community Development Director and **Ralph Mossman** testified in support of **S 1381** stating this legislation is similar to bills in Wyoming and Utah which have worked well to allow for excellent restaurants contributing to a healthy tourist environment.

Sen. Guthrie closed stating these licences are very tailored and specific and will allow for more upscale restaurants leading to healthy economic development.

MOTION: **Rep. Andrus** made a motion to send **S 1381** to General Orders. **Motion carried by voice vote.** **Rep. Alfieri** will sponsor the bill on the floor.

S 1236: **Tony Pittz**, Idaho Lottery Director of Lottery Security, presented **S 1236** explaining this legislation covers changes to operation and oversight of charitable gaming in Idaho. The included changes were all proposed by the current members of the Bingo Raffle Advisory Board. The changes include abolishing the advisory board and instead having two volunteer advisors, raising administrative expenses from 18% to 25% to meet current market standards, raising the top prize limit from \$1000 to \$5000, raising the max number of digital bingo cards to be played on a single device from 54 to 108, and making other clarifying changes. In response to committee questions, Mr. Pittz explained the board has asked to be abolished because they have a hard time finding members and have no power to make changes.

Further committee questions were yielded to **Tina Miller**, Idaho Lottery Charitable Gaming Coordinator, who explained nightly logs are used to fill out an annual report, so the changes in reporting requirements are to make it easier for operators to understand what must be reported directly and what information is recorded in other reports.

MOTION: **Rep. Andrus** made a motion to **HOLD S 1236** subject to the call of the chair. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 10:00 AM.

Representative Crane (13)
Chair

Kennedy Jones
Secretary