

Idaho Senate panel holds off on liquor license reform, requests compromise

BY CYNTHIA SEWELL FEBRUARY 11, 2019 12:00 PM

Following a two-hour hearing, the Senate State Affairs Committee on Monday voted to hold onto a bill [reforming Idaho's liquor license laws](#).

The committee wants the bill's sponsor, Sen. Jim Rice, R-Caldwell, to work with stakeholders on a compromise bill, and, if possible, bring the bill back this session.

Rice told the Statesman after the hearing he is already getting to work on it.

Currently [the state is responsible for issuing all liquor licenses](#) under a population quota system in which each city gets one license per 1,500 residents. License demand is outpacing supply, creating a secondary market where some people privately buy and sell liquor licenses, some of which fetch six figures.

Rice's proposal would put an end to state-issued quota licenses and allow cities and counties to issue — or choose not to issue — liquor licenses. The proposal provides added incentives to existing state-issued liquor license holders, and improves alcohol server training to curb violations and eliminate the secondary market of trafficking state liquor licenses.

Of the 13 people who testified before the committee, seven opposed the bill, six supported it.

Several bar owners who spoke against the bill said they opposed it because it would devalue their existing licenses and noted they had no role in the drafting the of the bill.

"I printed a bill last year, and I let everybody know that I would run a bill this year," Rice told the committee. "I visited with bar owners, restaurant owners and associations."

He continued, "This is not a quickie bill without discussions with interested parties from all directions. This is long-term work that has been done by this Legislature and others in previous Legislatures. It is time we address the issue."

Sen. Chuck Winder, R-Boise, motioned to hold the bill so that Rice could "assemble as many people as he can during this session and try and come back with a compromised proposal."

"What Sen. Rice is trying to do has some merit," Winder told the committee. "I think it is time for us to try and get this figured out. But I also do not think it needs to be at the expense of those current license holders. We created the problem. We ought to figure out a way to solve it."

The Legislature did convene an interim committee in the 1980s to examine the issue. About 10 years ago, then-Gov. Butch Otter assembled a task force to come up with reform legislation. That bill failed by one vote in 2009.

Rice said his bill is derived from that legislation.

“This particular topic has been the subject of more kicking the can down the road than any other topic I have looked at in my time in the Legislature,” Rice told the committee. “It is about time that we do something.”

Winder acknowledged this was yet another delay.

“I know some will say this is just a stall on behalf of those license holders, and they have been able to stall this off for years,” Winder said, “but I think it has some merit and I am supportive of trying to find a way to get this resolved.”