HOUSE COMMITTEE ON GENERAL GOVERNMENT AND REGULATORY REFORM Hearing Room Tapes MEMBERS PRESENT: Rep. Bob Tiernan, Chair Rep. Mike Lehman, Vice-Chair Rep. Jerry Grisham Rep. Cedric Hayden Rep. Brvan Johnston Rep. Bill Markham Rep. Lonnie Roberts Rep. Charles Starr Rep. Ken Strobeck Rep. Sharon Wylie MEMBER EXCUSED: Rep. Bev Clarno Rep. Barbara Ross STAFF PRESENT: Greg Moore, Committee Counsel Annetta Mullins, Committee Assistant MEASURE HEARD: HB 3217 - WORK SESSION These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. TAPE , A CHAIR TIERNAN: Calls the meeting to order at 8:49 a.m. and explains that the Committee needs to reconsider HB 3217. GREG MOORE, Counsel: Explains the provisions of the bill as passed by the Committee on April 28 and due to a lapse of time in obtaining the Legislative Fiscal and Revenue statement, the House Committee on State and School Finance has been closes. Therefore, the Committee needs to recommend the Speaker rescind the subsequent referral to State and School REP. HAYDEN: Asks for further explanation of the bill. MR. MOORE: Explains that the bill as passed by the Committee allows the liquor agents to purchase a portion of the goodwill that exists in their liquor outlet. REP. MARKHAM: Explains it would apply when the agent sells out to somebody else and it does not add more liquor to the community. REP. WYLIE: Requests that staff review the Legislative Fiscal statement. MR. MOORE: Explains that the fiscal statement poses four scenarios. No one know what goodwill is worth yet and therefore they do not know what the impact is. The one and one-half page says indeterminate. OLCC is meeting with Price-Waterhouse to try to figure out how they are going to measure goodwill. REP. HAYDEN: Comments that he, Rep. Lehman, Strobeck and Ross voted against the bill. This bill allows agents to sell to the highest bidder and OLCC would not have control.

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053 REP. MARKHAM: Responds that OLCC has to approve the agents.

0.5.9 REP. STROBECK: Comments he will vote to move the bill to the Floor but will oppose it on the floor.

072 $\,$ REP. GRISHAM: Comments he will vote to get the bill to the Floor but will vote against it on the Floor.

079 MOTION: REP. MARKHAM moves that the rules be suspended for the purpose of reconsidering the vote by which HB 3217 was passed by the committee.

081 VOTE: CHAIR TIERNAN: Hearing no objection to the motion, declares the motion PASSED. REPS. CLARNO AND ROSS ARE EXCUSED.

084 MOTION: REP. WYLIE moves that the Committee reconsider the vote by which HB 3217 was passed, that HB 3217, as amended, be sent to the Floor

with a DO PASS RECOMMENDATION AND THAT THE SUBSEQUENT COMMITTEE ON STATE AND SCHOOL FINANCE BE RESCINDED.

091 MR. WILLIAMSOM, OLCC: Our commissioners are not in favor of this bill for temperance reasons. They think the liquor agents may be compelled to make sales they otherwise would not make in order to increase the value of those agencies, which would increase their 50 percent or 25 percent of the take.

116 REP. ROBERTS: Calls for the question.

117 VOTE: In a roll call vote REPS. GRISHAM, JOHNSTON, MARKHAM, ROBERTS, STARR, WYLLE AND CHAIR TIERNAN vote AYE. REPS. HAYDEN, LEHMAN AND STROBECK

REFERRAL TO THE

VOTE NO. REPS. CLARNO AND ROSS ARE EXCUSED.

124 CHAIR TIERNAN: Declares the motion PASSED and the meeting adjourned at 8:57 a.m.

Submitted by, Reviewed by,

Annetta Mullins Gregory G. Moore Committee Assistant Committee Counsel