

**ALASKA STATE LEGISLATURE  
SENATE JUDICIARY STANDING COMMITTEE**

May 10, 2004  
8:55 a.m.

TAPE(S) 04-70

**MEMBERS PRESENT**

Senator Ralph Seekins, Chair  
Senator Scott Ogan, Vice Chair  
Senator Gene Therriault

**MEMBERS ABSENT**

Senator Johnny Ellis  
Senator Hollis French

**COMMITTEE CALENDAR**

CS FOR HOUSE BILL NO. 563(JUD) am(efd add)

"An Act relating to legislative branch ethics, to open meetings guidelines applicable to legislators, to the confidentiality of complaints and proceedings involving alleged violations of AS 24.60, and to hearings on formal charges by the Select Committee on Legislative Ethics or its subcommittees; and providing for an effective date."

MOVED CSHB 563(JUD) am(efd add) OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 552(FIN) am

"An Act relating to the creation of the Alaska Gaming Commission to regulate gambling; authorizing the Alaska Gaming Commission to license gambling games and gambling casino owners and suppliers and to issue occupational licenses for gambling employees; limiting casino gambling to municipalities with a population of 150,000 or more; allowing the Alaska Gaming Commission to issue only one owner's license for a gambling casino in certain municipalities with a population of 150,000 or more; creating crimes relating to gambling and setting requirements for gambling; creating the state gaming fund in the general fund; setting a gross receipts tax on gambling games; limiting the authority of a municipality to tax the adjusted gross receipts of gambling games."

HEARD AND HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 563

SHORT TITLE: LEGISLATIVE PROCEDURE & ETHICS GUIDELINES

SPONSOR(s): RULES

05/04/04 (H) READ THE FIRST TIME - REFERRALS  
05/04/04 (H) JUD  
05/05/04 (H) JUD AT 1:00 PM CAPITOL 120  
05/05/04 (H) Moved CSHB 563(JUD) Out of Committee  
05/05/04 (H) MINUTE(JUD)  
05/06/04 (H) JUD RPT CS(JUD) NT 2DP 4NR  
05/06/04 (H) DP: GRUENBERG, MCGUIRE; NR: HOLM, GARA,  
05/06/04 (H) SAMUELS, OGG  
05/08/04 (H) AM NO 8 WITHDRAWN UNAN CONSENT  
05/08/04 (H) TRANSMITTED TO (S)  
05/08/04 (H) VERSION: CSHB 563(JUD) AM(EFD ADD)  
05/08/04 (S) JUD AT 9:00 AM BUTROVICH 205  
05/08/04 (S) <Pending Referral>  
05/09/04 (S) READ THE FIRST TIME - REFERRALS  
05/09/04 (S) JUD  
05/09/04 (S) JUD AT 10:00 AM BUTROVICH 205  
05/09/04 (S) TOBACCO MASTER SETTLEMENT AGREEMENT  
05/10/04 (S) JUD RPT 1DP 1NR 1AM  
05/10/04 (S) DP: SEEKINS; NR: THERRIAULT; AM: OGAN  
05/10/04 (S) JUD AT 8:00 AM BUTROVICH 205  
05/10/04 (S) Moved Out CSHB 563(JUD) am(efd add)  
05/10/04 (S) MINUTE(JUD)  
05/11/04 (S) RETURN TO (H), TRANSMIT TO GOV NEXT  
05/11/04 (S) VERSION: CSHB 563(JUD) AM(EFD ADD)

BILL: HB 552

SHORT TITLE: GAMBLING & GAMING

SPONSOR(s): FINANCE

04/06/04 (H) READ THE FIRST TIME - REFERRALS  
04/06/04 (H) FIN  
04/19/04 (H) FIN AT 9:00 AM HOUSE FINANCE 519  
04/19/04 (H) Heard & Held  
04/19/04 (H) MINUTE(FIN)  
04/21/04 (H) FIN AT 1:30 PM HOUSE FINANCE 519  
04/21/04 (H) Moved CSHB 552(FIN) Out of Committee  
04/21/04 (H) MINUTE(FIN)  
04/22/04 (H) FIN RPT CS(FIN) 2DP 1DNP 6NR 1AM  
04/22/04 (H) DP: FATE, WILLIAMS; DNP: STOLTZE;  
04/22/04 (H) NR: MEYER, HAWKER, CROFT, MOSES, JOULE,  
04/22/04 (H) HARRIS; AM: CHENAULT  
05/01/04 (H) MOTION FOR REFERRAL TO L&C  
05/01/04 (H) AMEND TO COMMITTEE OF WHOLE WITHDRAWN

05/01/04 (H) REFERRAL TO L&C FAILED Y7 N31 E2  
 05/03/04 (H) TRANSMITTED TO (S)  
 05/03/04 (H) VERSION: CSHB 552(FIN) AM  
 05/04/04 (S) READ THE FIRST TIME - REFERRALS  
 05/04/04 (S) JUD, FIN  
 05/07/04 (S) JUD AT 8:00 AM BUTROVICH 205  
 05/07/04 (S) Heard & Held  
 05/07/04 (S) MINUTE(JUD)  
 05/10/04 (S) FIN AT 8:00 AM SENATE FINANCE 532  
 05/10/04 (S) Scheduled But Not Heard  
 05/10/04 (S) JUD AT 8:00 AM BUTROVICH 205  
 05/10/04 (S) Heard & Held  
 05/10/04 (S) MINUTE(JUD)

**WITNESS REGISTER**

Ms. Janet Seitz  
 Staff to Representative Rokeberg  
 Alaska State Capitol  
 Juneau, AK 99801-1182

**POSITION STATEMENT:** Explained the contents of CSHB  
 563(JUD)am(efd add)

Mr. Myrl Thompson  
 Big Lake, AK

**POSITION STATEMENT:** Opposed to CSHB 563(JUD)am(efd add)

Mr. Perry Green  
 No address provided

**POSITION STATEMENT:** Supports HB 552

Mr. Guy Warren  
 Presbytery of Alaska  
 No address provided

**POSITION STATEMENT:** Opposed to HB 552

**ACTION NARRATIVE**

**TAPE 04-70, SIDE A**

**CHAIR RALPH SEEKINS** called the Senate Judiciary Standing Committee meeting to order at 8:55 a.m. Senators Seekins, Ogan and Therriault were present. The first order of business to come before the committee was HB 563.

^#HB 563

**HB 563-LEGISLATIVE PROCEDURE & ETHICS GUIDELINES**

MS. JANET SEITZ, staff to Representative Norm Rokeberg, told members that the version of HB 563 that passed the House differs from version H of SB 397 [companion legislation] in two ways:

- on page 2, lines 15-23, regarding who appoints the replacements to the disqualified members when there is a group complaint, the new language says if the disqualified members are part of the Majority Caucus, then the presiding officer shall appoint; if they are part of the Minority Caucus, the Minority Leader shall appoint.
- The second change pertains to the definition of "caucus" on lines 29 and 30 on page 2. Commas were added to that sentence so that it reads "'caucus' means a group of legislators who share a political philosophy, or have a common goal, and who organize as a group."

CHAIR SEEKINS pointed out that the Minority Caucus leader will appoint the member from the other house.

MS. SEITZ said that is correct if the disqualified members are minority members.

SENATOR THERRIAULT asked if that change was made via a floor amendment.

MS. SEITZ said the change was made with a floor amendment that was agreed to by Representative Rokeberg. She added that Representative Rokeberg had offered an amendment to clarify some language that was discussed in the Senate Judiciary Committee about member versus members and some clean-up language that the committee wanted to offer. During the floor debate, Representative Gara and others pointed out that if the disqualified member is a minority member, the Minority Leader should appoint a replacement. She explained:

This is when ... the complaint is not filed against an entire caucus but maybe just the members of that caucus who serve on the ethics committee are part of the group the complaint is filed against, then the first step is to appoint - for example if the House majority members were disqualified, then the presiding officer would appoint another member from the House Majority to sit in on that group complaint. If the Minority members were disqualified, then it would be the Minority Leader.

And then the second part goes into it if it's all members of the caucus, for example all members of the Majority Caucus so all members of the Majority Caucus would be disqualified from participating in the ethics committee in regards to the complaint.

CHAIR SEEKINS asked, "What if the complaint goes against a coalition of the caucus where part of the members are Majority and part of the members are Minority? In that case, the Minority Caucus leader shall appoint the member. To illustrate his point he talked about the ad hoc fiscal caucus, which had a member from the minority party. If that caucus violated the ethics act, the Minority Caucus leader would do the appointing. He said:

I think what we're trying to get to here, if I'm correct, is that if all the members in one house of the Majority Caucus are part of the complaint, it's brought against the entire caucus, then the presiding officer appoints from the other body who the presiding officer wants to appoint to be the replacement. If it's all against the Minority Caucus, and none of the majority members are involved, then the Minority Caucus leader gets to do the appointment. Is that what we're after?

MS. SEITZ affirmed that is what the House was after. She did not think they envisioned a case where all four legislative members of either body serving on the ethics committee would be disqualified.

CHAIR SEEKINS agreed. He then added, "If it's caucus A's ox that's being gored, then caucus A gets to appoint from the other body. If it's all caucus B's ox that's being gored, then caucus B gets to appoint replacements from the other body that represent their caucus. So if that's the intent, and it's very clear on the record that that's what we're doing, and that was how the drafters were instructed to draft this then I don't have a problem with it."

MS. SEITZ affirmed that to be the intent.

CHAIR SEEKINS asked members if that was their interpretation and there was no dissent from members.

SENATOR THERRIAULT suggested changing the word "members" on line 16 of page 2 to "member".

MS. SEITZ said that would not work because the [ethics] committee has a member and alternate from each party so for that provision to kick in, both the member and the alternate have to be disqualified, otherwise the alternate would serve.

CHAIR SEEKINS responded, "And it strictly ... gives within that body the opportunity for the majority or the leader of that caucus to do the appointing of who replaces the disqualified person. I don't have any objection to that. Do you guys have a problem with that?"

MS. SEITZ said that change, and the comma change on lines 29 and 30 to clarify the definition of "caucus," are the only changes.

CHAIR SEEKINS took a brief at-ease from 9:05 to 9:09 a.m.

CHAIR SEEKINS announced that he would set aside SB 397 from further consideration so that HB 563 was the vehicle before the committee. He then took public testimony.

MR. MYRL THOMPSON, representing himself, made the following statement:

Okay, I haven't totally gone over this newest CS for the House bill but it's looking to be along the same lines as the other. I have certain problems with it as far as the - on page 5 now and the complaint dismissal part of it. That's still a First Amendment right to [indisc.] government if we disagree with these things.

I actually went through and spoke to a number of people in my neighborhood and then a couple of associations yesterday and they had no idea that this bill was even in there but I think that you'd be pretty interested to know that those folks think that this is just outrageous. I showed them a copy of the bill and explained to them - and I also showed them a copy of testimony. The folks out here just think that this is crazy that the legislature is trying to write the rules that the legislature has to go by.

As I said in previous testimony, the best place for this type of bill to be written, or come out of anyway, would be the ethics committee because of its balance. It has five members of the public and two members from each house. This is a committee of one

where this bill is coming from and it's just not the best place to address this. You have to have the trust of the people and respect of the people and that's written into the code and, by having a fox guard the henhouse, that's not showing us any respect and it's certainly not going to get our trust and that's the most important thing here. I'll let you go with that.

CHAIR SEEKINS said at the last meeting, a comparison was made between a grand jury investigation and an ethics complaint being kept confidential while under review. He sees the two as similar because of the potential for abuse - a mere allegation of an ethics violation is being made against someone as a political weapon. The suggestion is that until the ethics committee has a chance to review it, you don't want to set the committee and process up as a political tool. He asked Mr. Thompson if he is suggesting that the grand jury system is going against the will of the people.

With no further participants, CHAIR SEEKINS closed public testimony. He agreed with Senator Therriault that the operating procedures of the legislature are very clear. They are set out in Mason's Manual and the Uniform Rules. In addition, the procedures under HB 563 are very public. People can always suggest additional rules for consideration. He is not aware of any other governmental body that allows someone else to prescribe the operating rules for the other body. He said he has no problem with this bill and he has no problem with the fact that if people try to use an ethics complaint for political purposes to harm an individual, they should not be able to do so by announcing their complaint to the media.

SENATOR OGAN said he had suggested an alternative way to deal with the issue of confidentiality and while he does not disagree with what committee members have said, he wanted to state for the record that he tried hard to get the bill amended in the other body to allow the ethics committee to assess the administrative cost of the complaint process against someone who files a frivolous complaint. He noted that unfortunately, the debate in the House went into the late hours and additional amendments could not be considered. He explained that the amendment would have required a title change, which would kill the bill at this point in the session. He stated that he does not object to the bill moving out of committee although he would have preferred to amend it. He said he would be recommending on the committee report that the bill be amended.

SENATOR THERRIAULT moved CSHB 563(JUD)am(efdadd) from committee with individual recommendations.

CHAIR SEEKINS announced that with no objection, the bill moved from committee.

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9:26 a.m.

^#HB 552

**HB 552-GAMBLING & GAMING**

CHAIR SEEKINS announced HB 552 to be up for consideration and then announced an at-ease. Upon reconvening, he took public testimony.

MR. PERRY GREEN told members he is an Anchorage taxpayer who is here to help solve the fiscal gap. When he began to pursue that goal, he did not know that oil would be selling at \$40 per barrel, but he does not believe that will be the case for much longer. He said the issue of churches and morality always comes up in the debate on gambling. In his opinion, gambling should be an individual's choice. He considers himself to be a religious person; he attends church services regularly and financially supports his own congregation and several others. Four of his five children attended religious primary and high schools.

MR. GREEN said he believes churches and gaming have a record of existing together. He said one only needs to go to Las Vegas to find churches that are very full. He said it's been awhile since gaming was talked about in a serious manner. He told members he has made 48 calls in an attempt to poll people and only one of the respondents opposed his opinion of gambling. He said it has been borne out that we need to start thinking globally. Since he has been in Juneau, he has received calls from three continents. Those callers recognize the potential of Alaska's tourism trade. He sees this as an economic and jobs issue, not a gaming issue. He noted that people can sit in a hotel room in Juneau and win \$200,000. He pointed out that while Alaska has a fiscal gap, the State of Mississippi, which is not known for great schools, is increasing its budget because it has instituted gaming. Welfare recipients now have jobs and 70 percent of the food stamp program has been eliminated in what was the poorest county in Mississippi.

MR. GREEN noted that the forestry industry is a shadow of what it was and revenues from fisheries and oil are down. The leisure

industry is the largest industry in the world today. He said gambling will bring 1,000 private industry jobs to Alaska. He pointed out that it is very important that the Legislature create good jobs so that people can create good lives for themselves.

SENATOR THERRIAULT said one concern among some members is how passage of this bill will open up the state for the proliferation of gaming under the Indian Gaming Regulatory Act. He referred to a memo that he distributed to members from legal counsel that reads:

It is impossible in my opinion for anyone to say that gaming will be limited to certain clearly identified portions of land areas of the state. No one knows exactly how much Indian land there is and where that Indian land is. It's clear though that the Venetie decision does not provide the answer or [indisc.] that some have alluded to in this regard.

SENATOR THERRIAULT then referred to another memo from independent counsel Don Mitchell that cautions the Legislature about taking any step. He said that while the individuals Mr. Green contacted may have been in favor of just one casino in Anchorage, the Legislature is the decision-maker for the State of Alaska and must keep its eye on whether that action opens up uncontrollable gaming. He continued:

We would basically turn control over that activity in the State of Alaska over to a federal agency and no longer be able to make the calls on behalf of the citizens and the Legislature. That's why a number of years ago the Legislature even did away with the charitable fundraising casino nights because the roulette wheel where you're playing with paper money and all of the proceeds go to a charity at the end of the evening, that could be used as legalized gambling in the State of Alaska and under the Indian Gaming Regulatory Act, could throw the state open for the spread of gambling in a fashion that the state no longer controls. That's a real motivating factor for myself, enough to the fact that we have independent counsel that advises us and watches the things that are being discussed in Congress so that we make sure that the Legislature continues to make the policy, set the policy in the State of Alaska in regards to gaming and not some federal agency.

MR. GREEN responded that he also got legal opinions and suggested putting a sunset clause in the bill to address Senator Therriault's concern. He thought that litigation would be so far down the line that no one else would try to do any gaming outside of Kake, Klawock, and Metlakatla. He told members:

Metlakatla has gaming over and above the state maximum for those games because it is an independent place and recognized as such. Indian gaming in California has made it possible to take a lot of people off of welfare but the state must, in good conscience, enter into a contract with those Indian casinos that you were talking about and they must pay the same percentage. That's why the percentage is actually 20 percent and the state would get that money should people in other areas go into gaming. They have to have a state contract and if you have it at 17 percent to the state, 3 percent to the borough, they also must pay that too, should that be the case. But my focus is on Far East travelers. My focus is on international players. My focus is not to compete even with a small or a medium-size Indian casino that would have to pay 20 percent of its proceeds to the state because in the compact - every state that has a compact - Nevada has a compact, Connecticut has a compact with the Indians, they pay one-half billion dollars in the state of Connecticut. So that is true everywhere.

There is Indian gaming in other states but there is also private gaming. Indian gaming is in Nevada but I challenge you to find somebody who has visited an Indian gaming casino in the state of Nevada. Everybody goes to Bellagio or to Binions (ph) or to the Hilton or the Sheraton and that is the same in other places where they do have Indian land. I think your concerns and the litigation that would take place would be years and years and there is a sunset provision in this legislation and that sunset provision would scare anybody into not investing a lot of money in an area that doesn't have a real population base.

I can go back to 1989 to the one store in Alaska that contributed between \$20 and \$29 million per year to the state of Alaska in revenues from Asian tourists. Last year that same store only paid the state \$311,000 because we do not have that tourist base anymore. The

Asians aren't here. They're the big spenders. In my little business plan that I made up with consultation with others, I figured that there would be \$3 billion in retail sales - in additional retail sales and taxes collected over a 10-year period throughout the state. Now I'm thinking that might even be too low.

CHAIR SEEKINS asked Mr. Green if he provided committee members with copies of the legal opinions he referred to.

MR. GREEN said he did.

CHAIR SEEKINS indicated that there has been a proliferation of casinos in the State of Washington and asked Mr. Green why he does not anticipate the same thing happening in Alaska.

MR. GREEN said the casinos in Washington are card casinos in the municipalities. A municipality can have pull tabs and cards but they cannot have machines like Indian casinos do.

CHAIR SEEKINS pointed out that there has also been a huge proliferation of Indian gaming in Washington.

MR. GREEN responded:

That's why if you start gaming like Nevada did, if you start gaming like New Jersey did, if you start and put it there - you know, I'm a member of the Safari Club - I don't go hunting but I just believe in free choice. I'm a member of the NRA. I don't collect guns, don't have any use for them, but I think people should have the choice. I think we need to give - you know, this bill calls for approval by the people and, particularly, in the area where it's going to be most affected, which is the Anchorage area. Everybody I talk to - oh, I hope you get it, gee I'd like to go there, it's a social thing.... It's entertainment and you're going to be entertaining the willing and that's what you'll get. You'll get a lot more money for this state and for this economy and you won't have to be having these 12 o'clock midnight sessions that you all have been working hard for. Gambling isn't the total answer for sure but it is a step in creating an economy that's sustainable. It's a year-round thing.

SENATOR THERRIAULT referred to the memo from Don Mitchell, and read from page 5:

The Alaska Legislature's enactment of HB 552 can be expected to motivate numerous Native groups to file Class 3 Gaming Act ordinances with the National Indian Gaming Commission that will request the chairman of the commission to allow groups to conduct that kind of casino style gaming that the enactment will empower the Alaska Gaming Commission to have in Anchorage.

SENATOR THERRIAULT said the memo then talks about the lengthy process and negotiation that IGRA goes through. If the state were to disagree with a proliferation of gambling, "the Secretary of the Interior shall unilaterally implement the compact and the Indian tribe may conduct classic gaming activities over the state's objection." He repeated that the state would completely lose control and that no one knows exactly what lands would be subject to the proliferation at this time. He said it is a known fact that in some of the smaller villages in Alaska with very tenuous economies, there is a high level of pull-tab operations, most likely beyond what the people in the community can afford. He concluded, "I don't know that you're going to have a huge casino in Venetie or you're going to have a card room with a roulette wheel and people spending money there. I just think this is something that because of IGRA, in particular, if we open this 'Pandora's Box' we just don't know what we're getting ourselves into."

SENATOR OGAN said seven or eight years ago, former Attorney General Botelho advised the [Majority] caucus in the House that it was time to do away with Monte Carlo gaming because of how the law was being interpreted. He cautioned of a proliferation of casinos on Native-owned lands. He said he is not impugning anyone of bad intentions but believes it is a policy call the Legislature must make, taking into consideration problems the bill's enactment might create.

**TAPE 04-70, SIDE B**

SENATOR OGAN said that gambling is a relatively harmless activity for those people who don't become addicted but can lead to tragic consequences for those who are.

SENATOR THERRIAULT referred to a letter of support from Jim Palacke (ph) of Fairbanks supporting passage of the bill because of the creation of construction jobs. He said he knows Mr. Palacke and would guess that he does not understand how IGRA works and that if the Legislature takes a step that seems to be

controlled, that step would start a process in which the Secretary of the Interior could force the state into compacts and decide the terms. He added that the local vote in Anchorage would have statewide implications. He said if Congress could clear up the issue of what is tribal land in Alaska, the Legislature would have some assurance of what it would be initiating with this legislation but the issue of tribal lands in the state is hugely contentious.

MR. GREEN said he believes one has to look at Indian gaming operations and what they have done for surrounding areas. He maintained that those gambling operations have provided a way for people to get off of welfare and their dependency on the federal government. He said in every state that requires that a percentage of proceeds go to the state, the Indian group must have a compact with the state. He believes that would be a long-term process but is why he is suggesting a sunset provision in the bill.

CHAIR SEEKINS said if the state proposes a compact, which the Native group does not agree to, a whole series of events would then start to take place: negotiation, mediation, and then federal imposition of the terms of the contract if the state cannot agree over any state objection. He said that is a major concern with the compact.

SENATOR THERRIAULT was unsure whether once that line is crossed, a sunset date would negate the compact.

CHAIR SEEKINS also doubted that a sunset date would.

MR. GREEN stated, "I'd like to respond just by saying that if in the state that the state's terms would be the same as the borough's term, which is 17 and 3, which is a fortune, and in many of these rural areas, getting that much back and the very high cost - in that bill are so many things in order to have gaming in the state, all the cost is borne by the casino - the cost - and no government job has got one bit of cost to it. I'm of firm belief that we should have it. That's all.

MR. GUY WARREN, Stated Clerk of the [Southeast] Presbytery of Alaska, stated sincere opposition to the approval of HB 552. He told members:

The [Southeast] Presbytery of Alaska consists of the 15 member churches of the Presbyterian Church U.S.A. from Yakutat in the north to Metlakatla in the south.

It includes the communities of Klawock, Metlakatla and Kake.

We believe that this bill represents a significant step towards situations, which will not be in the best interest of the state government or the citizens it serves.

While we know that approval of this legislation could provide some new funding to meet the state's financial needs and perhaps new employment, we also believe that the costs the state will incur attempting to repair the social ills that gambling brings with it will more than consume that new funding, and remove any real benefit from any new employment. These social ills include increased domestic violence, various psychological and social problems and an increased incidence of suicide. One example of the increased rate of suicide we fear might occur is seen in Nevada's Clark County, which is the home of Las Vegas. During the year 2002, their coroner's office reported 295 suicides. Similar numbers were seen in previous years. Las Vegas leads the nation in the most depressing statistic.

We believe it would be prudent and only right for the Legislature to seek detailed and independently researched estimates on these costs before taking the steps, which would force the state to pay them. This legislation will see serious casino gambling introduced to our state prior to that research.

The people of this state have spoken in the matter of gambling and they spoke loudly. A proposal to set up an Alaska gambling board was presented to the people in 1990. This measure was defeated by over 40,000 votes, almost a 2:1 margin. It might be noted that the bill now before this body includes the language for a local election before plans for a casino could proceed. While an appropriate added addition, it is not adequate to propose legislation so roundly defeated in 1990 [that] included a similar local election clause.

Finally, if the committee has any questions as to the possibility of the social ills our group is concerned about, I would simply ask you to consider these facts.

The tax revenues that will be paid by this proposed casino, the salaries for those employed by this casino, and all of the other costs incurred by this casino will be paid by those who visit and lose at this casino. Some of these losses will be from those simply engaged in an expensive recreational pursuit. However I am certain, and there is no shortage of anecdotal information on this, that a significant amount of these losses will come from people who are destroying their personal finances, their families, and, as seen in Las Vegas, sometimes literally themselves.

Our state's situation is not nearly so desperate as to take the significant gamble this bill proposes. We have the largest state savings account in the country; we have scenic beauty that Louisiana, Mississippi, and Nevada can only dream of, and we have natural resources in abundance found nowhere else. We need to find solutions to our problems; we don't need to create new ones. Building this casino and the others that will almost certainly follow, as has been noted here, will create problems and not solve them. Thank you.

SENATOR OGAN said from his study of Alaska history, he knows that the Presbyterians have been involved in Native communities for a very long time. He recently had a Presbyterian pastor from one of the [Aleutian Islands] ask him what could be done about the suicide problem in that area. He thinks the problem is the loss of their culture and boredom and fears if gambling enters into the picture, more social ills will arise.

MR. WARREN agreed with Senator Ogan and said those who have studied the statistics understand that Alaska is typically vulnerable to social ills for a number of reasons. He believes adding gambling in this form will make those social ills worse. He noted that he has discussed this matter with church leaders from other denominations. He made copies of a letter in opposition from the Catholic Bishops available to committee members last Friday. He concluded, "And I would agree with the gentleman that we have enough problems here. We really don't need this one added to the mix. We have a lot of good things for us and this isn't going to contribute anything."

With no further participants, CHAIR SEEKINS closed public testimony. He then recessed the meeting to the call of the chair.

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