

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

February 22, 2006

4:03 p.m.

MEMBERS PRESENT

Representative Tom Anderson, Chair
Representative Gabrielle LeDoux
Representative Bob Lynn
Representative Norman Rokeberg
Representative Harry Crawford
Representative David Guttenberg

MEMBERS ABSENT

Representative Pete Kott

COMMITTEE CALENDAR

SENATE BILL NO. 260

"An Act extending the date by which the Task Force on Workers' Compensation shall report its findings and the termination date of that task force; and providing for an effective date."

- MOVED SB 260 OUT OF COMMITTEE

HOUSE BILL NO. 394

"An Act relating to allowing insurance policies to be filed, approved, and delivered in languages other than English if an official English language version is also provided."

- MOVED CSHB 394(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 447

"An Act relating to the use of broadcasting to promote raffles and lotteries."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 260

SHORT TITLE: EXTEND TASK FORCE ON WORKERS' COMP

SPONSOR(S): SENATOR(S) SEEKINS

02/01/06 (S) READ THE FIRST TIME - REFERRALS

02/01/06 (S) L&C
02/07/06 (S) L&C AT 1:30 PM BELTZ 211
02/07/06 (S) Moved SB 260 Out of Committee
02/07/06 (S) MINUTE(L&C)
02/08/06 (S) L&C RPT 5DP
02/08/06 (S) DP: BUNDE, DAVIS, ELLIS, SEEKINS,
STEVENS B
02/14/06 (S) TRANSMITTED TO (H)
02/14/06 (S) VERSION: SB 260
02/15/06 (H) READ THE FIRST TIME - REFERRALS
02/15/06 (H) L&C
02/22/06 (H) L&C AT 4:00 PM CAPITOL 17

BILL: HB 394

SHORT TITLE: INSURANCE POLICIES IN FOREIGN LANGUAGES
SPONSOR(S): REPRESENTATIVE(S) MEYER

01/25/06 (H) READ THE FIRST TIME - REFERRALS
01/25/06 (H) L&C, FIN
02/22/06 (H) L&C AT 4:00 PM CAPITOL 17

BILL: HB 447

SHORT TITLE: BROADCASTING PROMOTING CHARITABLE GAMING
SPONSOR(S): REPRESENTATIVE(S) MCGUIRE

02/13/06 (H) READ THE FIRST TIME - REFERRALS
02/13/06 (H) L&C, FIN
02/22/06 (H) L&C AT 4:00 PM CAPITOL 17

WITNESS REGISTER

BRIAN HOVE, Staff
to Senator Seekins
Alaska State Legislature
POSITION STATEMENT: Presented SB 260 on behalf of Senator
Seekins, sponsor.

MIKE PAWLOWSKI, Staff
to Representative Kevin Meyer
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented HB 394 on behalf of
Representative Meyer, sponsor.

JEFFERY TROUTT, Deputy Director
Division of Insurance

Department of Commerce, Community, & Economic Development
Juneau, Alaska
POSITION STATEMENT: Offered information and support for CSHB
394.

SHELDON WINTERS, Lobbyist
State Farm Insurance
Juneau, Alaska
POSITION STATEMENT: Expressed support for CSHB 394.

CRAIG JOHNSON, Staff
to Representative Lesil McGuire
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented HB 447 on behalf of
Representative McGuire, Sponsor.

JEFF PRATHER, Gaming Group
Juneau office
Tax Division
Department of Revenue (DOR)
Juneau, Alaska
POSITION STATEMENT: Answered questions during hearing on HB
447.

RICK SCHMIDT, President
AK Broadcasters Association
Nome, Alaska
POSITION STATEMENT: Testified during hearing on HB 447.

STUART A. WHYTE, Advertising Consultant
KFMJ-FM Radio
Ketchikan, Alaska
POSITION STATEMENT: Testified during hearing on HB 447.

ACTION NARRATIVE

CHAIR TOM ANDERSON called the House Labor and Commerce Standing Committee meeting to order at [4:03:14 PM](#). Representatives Anderson, Guttenberg, Crawford, and Lynn were present at the call to order. Representatives LeDoux and Rokeberg arrived as the meeting was in progress.

SB 260-EXTEND TASK FORCE ON WORKERS' COMP

CHAIR ANDERSON announced that the first order of business would be SENATE BILL NO. 260, "An Act extending the date by which the

Task Force on Workers' Compensation shall report its findings and the termination date of that task force; and providing for an effective date."

BRIAN HOVE, Staff to Senator Seekins, Alaska State Legislature, explained that during the 2005 legislative session, the legislature passed SB 130, which created the Task Force on Workers' Compensation. The task force met seven times over a three-month period and produced a final report to the legislature, which includes a recommendation for a one year extension. He stated that SB 260 allows the task force to complete the work that it was assigned.

[4:04:51 PM](#)

REPRESENTATIVE LYNN informed the committee that he co-chairs the task force [along with Senator Seekins] and said " ... I think we did some good work, I think more work needs to be done."

[4:05:19 PM](#)

MR. HOVE, in response to questions from Representative Guttenberg, explained that the task force had a report due at the beginning of December 2005, but did not make the deadline. Therefore, in addition to extending the task force, the legislation would extend the report deadline to February 15, 2006.

CHAIR ANDERSON asked if the sponsor would like the date amended, since [February 15, 2006] is in the past.

MR. HOVE replied that the report has already been submitted to the Senate Secretary.

REPRESENTATIVE CRAWFORD stated that he would like to see a copy of the report. He commented that he doesn't mind extending the date, but would like to have a clear idea as to the goals of the task force.

MR. HOVE replied that the task force would like time to "flesh out" the issues, as it was not able to fully explore them.

REPRESENTATIVE LYNN stated that [the co-chairs] are "in concert" on this issue. He agreed that a number of issues need to be "fleshed out." He opined that the task force "rushed to judgment" on some of the issues, and left some unresolved. In response to comments from Chair Anderson, he explained that the

task force report is incomplete and opined that because the issues are serious, the task force should not rush to judgment.

REPRESENTATIVE CRAWFORD asked how the issues were decided on and if they are listed in the final report.

MR. HOVE replied that while the task force did submit a final report, it still has the ability to submit another report. He explained that the task force submitted the final report to "remain in the spirit" of [SB 130]. He went on to say that each member came with different priorities, and the task force attempted to address all of them.

[4:10:19 PM](#)

REPRESENTATIVE CRAWFORD noted that he attended task force meetings during which a number of issues came up. He asked how the task force decided which of these issues went into the final report.

MR. HOVE replied that it might be better to provide a copy of the report and then discuss these issues, adding that it was "a consensus report."

REPRESENTATIVE LYNN agreed with this and added that the task force did not debate over what to include or not include [in the report]. He noted that he does not recall any concern that was not addressed in some fashion.

MR. HOVE, in response to Chair Anderson, confirmed that the task force consisted of a "mix" of representation. He noted that the task force included: Dr. John Duddy (Alaska State Medical Association); Rod Betit (Alaska State Hospital & Nursing Home Association); Michael Jensen (Workers' Comp Attorney-Employees); Trena Heikes (Workers' Comp Attorney-Employer); Kevin Dougherty (Organized Employees); Connie Livsey (Workers' Comp Insurance Carriers); Jamie Slack (Self-Insured Employers); Linda Lewis (Small Businesses), and Everett Billingslea (Large Businesses), in addition to Senator Gretchen Guess and the Co-Chairs.

CHAIR ANDERSON asked Mr. Hove to supplement the final report to the committee. He opined that the longer it takes for [SB 260] to [move through the legislature], the less work the task force can complete.

[4:13:55 PM](#)

REPRESENTATIVE GUTTENBERG stated that he attended a few meetings and asked if the [task force] was successful in obtaining numbers from the medical community for evaluation purposes.

MR. HOVE answered that the task force did not have specific [medical] data available to them, adding that the short amount of time made it difficult to get to all of the issues. He stated that the task force would like an opportunity to "go back and see if we can pick up some of those pieces."

REPRESENTATIVE LYNN stated that he would welcome input from other legislators regarding specific issues for the task force to address.

REPRESENTATIVE ROKEBERG asked if the task force intends to issue another report.

REPRESENTATIVE LYNN replied that additional meetings would result in more information. He then questioned the point of meeting if another report will not be issued.

REPRESENTATIVE ROKEBERG asked why February 28, 2007, was chosen as the termination date.

MR. HOVE replied that date was chosen to allow time for "cleanup."

REPRESENTATIVE ROKEBERG asked if the bill should be amended to require another report from the task force.

MR. HOVE opined that the intent of the task force is to issue another report and adding this language would complicate things.

[4:18:58 PM](#)

REPRESENTATIVE ROKEBERG asked if SB 130 created a Medical Task Force in addition to the Task Force on Workers' Compensation.

MR. HOVE replied that there is a Medical Services Review Committee which issued a report to the Task Force on Workers' Compensation. He explained that this report is attached as an addendum to the Task Force on Workers' Compensation final report.

[4:19:46 PM](#)

REPRESENTATIVE LYNN moved to report SB 260 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, SB 260 was reported from the House Labor and Commerce Standing Committee.

HB 394-INSURANCE POLICIES IN FOREIGN LANGUAGES

4:20:05 PM

CHAIR ANDERSON announced that the next order of business would be HOUSE BILL NO. 394, "An Act relating to allowing insurance policies to be filed, approved, and delivered in languages other than English if an official English language version is also provided."

CHAIR ANDERSON moved to adopt CSHB 394, Version 24-LS1506\F, Bailey, 2/22/06, as the working document. There being no objection, Version F was before the committee.

MIKE PAWLOWSKI, Staff to Representative Kevin Meyer, Alaska State Legislature, explained that over 80,000 Alaskans speak a language other than English at home. However, there is no provision in state law that facilitates an [insurance] company to issue an insurance policy or associated materials in a language other than English. He explained that Version F clarifies that when an insurance policy is filed or materials are issued, the English version is the official version. This information must be disclosed in any materials given to the public. He went on to say that HB 394 is a "cleanup" bill that facilitates better service to Alaskans who buy insurance.

REPRESENTATIVE GUTTENBERG asked for the differences between the original version and Version F.

MR. PAWLOWSKI explained the changes in Version F are related in the document titled "Committee Substitute Comparison Sheet for House Bill 394."

REPRESENTATIVE GUTTENBERG asked if the violations remain the same regardless of language.

MR. PAWLOWSKI answered that this is correct, adding that the sponsor did not want to link [language] specifically to the general violations because the sponsor did not want to create "lack of clarity" between this legislation and the false advertising provisions in Title 21.

MR. PAWLOWSKI, in response to questions from Representative Rokeberg, explained that an insurance company would be unwilling to issue a claim in a foreign language if the official version was not specified. He added that in case of a dispute, an official version is needed. He related that the Division of Insurance is in support of the bill.

[4:25:07 PM](#)

REPRESENTATIVE LEDOUX noted that CSHB 394 does not mandate the insurance companies to write a policy in a language other than English, but rather allows the companies to market to any non-English speaking group.

MR. PAWLOWSKI agreed that this is correct, adding that the lack of a provision in current law creates an obstacle to this.

REPRESENTATIVE LEDOUX asked if there are currently any insurance policies in languages other than English.

MR. PAWLOWSKI deferred to the Division of Insurance.

[4:26:09 PM](#)

JEFFERY TROUTT, Deputy Director, Division of Insurance, Department of Commerce, Community, & Economic Development (DCCED), stated that although the division did not initiate the legislation, it does support the bill. If English is not the native language, the individual buying the insurance policy may not understand it, and this [legislation] would support consumer education and protection. He added that having the English version as the "anchor" is a good idea, as it is "almost impossible" to accurately translate from one language to another.

CHAIR ANDERSON repeated an earlier question regarding the amount of paperwork that would be required.

MR. TROUTT opined that this would not create a "nightmare", explaining that currently Spanish is the only non-English policy [in print]. He added that this is more likely to be an issue in the future. He noted that the legislation has no fiscal impact.

[4:28:49 PM](#)

SHELDON WINTERS, Lobbyist, State Farm Insurance (State Farm), stated that there is an emerging group of consumers who speak

foreign languages, and the insurance companies want to have the ability to provide them with information on insurance products. He pointed out two areas of HB 394 that explain why the insurance companies would like to make these changes. Referring to Section 1(a), he explained that this refers to insurance policy forms, specifying that if an insurer wants to give a foreign language translation, the English version will be the main version. Mr. Winters opined that State Farm would not publish many foreign language policies but would like to publish associated materials such as brochures in languages other than English. He explained that insurance companies are currently inhibited by Supreme Court precedence which states that in determining an insurance contract dispute, the court will look at the insurance policy in addition to other relevant evidence. He added that "other relevant evidence" includes brochures and informational sheets.

CHAIR ANDERSON opined that [offering insurance policies and associated materials in languages other than English] is an incentive for the majority of insurance companies to obtain more business and would be positive for the industry as a whole.

MR. WINTERS agreed.

REPRESENTATIVE LEDOUX opined that this is a "burgeoning" market.

REPRESENTATIVE ROKEBERG asked if all of the different language policies would need to be filed with the Division of Insurance.

MR. WINTERS replied yes, adding that he does not feel there will be a large number of these in the immediate future.

CHAIR ANDERSON noted that if necessary, the legislature could put regulations in place.

MR. WINTERS agreed and explained that there have been instances when the insurers have filed [non-English] forms with no direction as to which version is the controlling version and the Division of Insurance has assumed that the foreign language version controls.

REPRESENTATIVE LEDOUX asked if they anticipate Spanish to be the language used most frequently.

MR. WINTERS replied that he does not anticipate that State Farm will have foreign language policies, but they will have brochures in Spanish in addition to other languages.

REPRESENTATIVE LEDOUX asked if State Farm would market with brochures in different languages, but only have policies in English.

MR. WINTERS said that this is one example. He gave an additional example of a contract dispute during which the court decides that the insurance company is required to honor the brochures given out. He reiterated that HB 394 would make the English language brochure the main version.

REPRESENTATIVE ROKEBERG asked if associated materials need to be filed with the Division of Insurance.

MR. WINTERS replied no.

CHAIR ANDERSON noted that it is the same for brochures as it would be for an insurance policy.

[4:35:07 PM](#)

REPRESENTATIVE LEDOUX moved to report CSHB 394, Version 24-LS1506\F, Bailey, 2/22/06, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE ROKEBERG objected for discussion purposes and expressed concern regarding the diversity of language in America. He stated that this is "manacle" to the "American way of life."

CHAIR ANDERSON expressed understanding of this view, and added that America is a "melting pot" [of different cultures]. He gave an example of a person involved in a car accident who does not speak English and is therefore unable to get insurance due to lack of understanding. He opined that this might make a person change his or her mind regarding the printing of policies in different languages.

REPRESENTATIVE ROKEBERG opined that not many people read their insurance policies.

REPRESENTATIVE LEDOUX noted her surprise regarding Representative Rokeberg's stance on the matter and added that not allowing insurance companies to market to a growing group is "economically suicidal."

REPRESENTATIVE ROKEBERG withdrew his objection.

CHAIR ANDERSON pointed out that this would allow both the policy and associated materials to be printed in a language other than English.

REPRESENTATIVE LYNN stated his agreement with the English version being the official version.

CHAIR ANDERSON noted that the objection was withdrawn, therefore CSHB 394(L&C) was reported from the House Labor and Commerce Standing Committee.

[4:39:37 PM](#)

HB 447-BROADCASTING PROMOTING CHARITABLE GAMING

CHAIR ANDERSON announced that the final order of business would be HOUSE BILL NO. 447, "An Act relating to the use of broadcasting to promote raffles and lotteries."

CRAIG JOHNSON, Staff to Representative Lesil McGuire, Alaska State Legislature, sponsor, began by saying that the bill would allow radio and television broadcasters the same rights that newspapers currently have. This is, he said, the ability to advertise for charitable gaming. Currently, if a nonprofit organization wanted to advertise on television or radio, the stations would not be able to do this, as it is against the law. He stated that Utah and Alaska are the only two states that do not allow this. He noted that this has been ruled as constitutional by the federal government and the Federal Communications Commission (FCC) agrees that it is legal. He said this does not expand gaming, but gives nonprofit organizations the opportunity to "get their message out" by radio and television.

CHAIR ANDERSON commented that the Nenana Ice Classic is able to advertise on radio and television, while the Girl Scouts and Special Olympics are not.

MR. JOHNSON surmised that if the Girl Scouts were to call the raffle a "Classic," they would be able to advertise on the radio and television. He said that he is a member of Rotary International and explained that [one goal] of Rotary International is to eradicate the polio virus worldwide. To raise funds, he said, Rotary International holds a snow machine raffle, but is unable to advertise via radio or television. He

indicated that most radio and television companies would be likely to offer the ad as a public service announcement (PSA).

REPRESENTATIVE LEDOUX asked if all broadcasting companies are aware of the current prohibition and said that she has heard advertisements for raffles and for lotteries.

MR. JOHNSON replied that the broadcasting companies are most likely aware, although some may choose not to recognize the prohibition. He said that the licensing process for radio stations is extensive, and not abiding by state law puts this license in jeopardy. He said that the aforementioned ads may have been for the Rat Race Classic in Anchorage, which is allowed due to a statutory loophole created by [House Bill 366, which passed during the Twenty-Third Alaska State Legislature].

REPRESENTATIVE CRAWFORD said that, as a general rule, he is opposed to the expansion of gambling. He stated that he has read the bill several times, and is not sure that the sponsor statement portrays the bill correctly. Referring to page 1, line 4 of the bill, he asked why the sponsor included the word "conduct." He also asked if the broadcasting is limited to PSAs, and, if this is the case, inquired as to where this language can be found in the bill.

[4:47:25 PM](#)

MR. JOHNSON replied that it is not the intent of the bill to limit the advertisements to PSAs, adding that if a nonprofit wanted to pay for advertising, this would be allowed. In regard to including the word "conduct," he said that a representative from the Alaska Broadcasters Association would be able to explain this in detail.

CHAIR ANDERSON, in regard to the word "conduct," said that this is included to prevent lotteries from being allowed.

REPRESENTATIVE CRAWFORD said that he does not want to allow organizations to "conduct" gaming activities. He expressed concern with the addition of "raffle" and "lottery," which, he opined, does not only apply to charitable events.

CHAIR ANDERSON offered his interpretation of Representative Crawford's concerns. He said that he does not feel that if HB 447 were to pass, lotteries would be allowed.

MR. JOHNSON stated that this is not the intent of the bill.

REPRESENTATIVE ROKEBERG asked if any lotteries are legal and inquired as to the definition of "lottery."

MR. JOHNSON said that the event being advertised must be legal, and noted that the bill does not broaden the [legal] requirements.

REPRESENTATIVE CRAWFORD opined that if the statute does not specify what is legal, this may change in the future [to allow gambling]. He said that he would prefer to limit the bill to PSAs, and not allow the [advertising of for-profit gambling].

[4:51:01 PM](#)

JEFF PRATHER, Gaming Group, Juneau Office, Tax Division, Department of Revenue, in response to a question, said that the division does not foresee the bill expanding gaming in any way. He stated that the bill would only allow the addition of raffles to the types of activities that may be promoted via radio or television broadcasting. He noted that selling tickets or drawing tickets would fall under "conducting an activity" and would be prohibited.

REPRESENTATIVE CRAWFORD asked what type of raffle or lottery would be allowed, as the bill does not specify. He opined that if, in the future, Powerball or any other type of lottery was made legal, it would be allowed to advertise [via television or radio] to which he expressed opposition.

MR. PRATHER replied that "raffle" and "lottery" currently have the same definition in statute, which he quoted as follows:

"raffle and lottery" means the selling of rights to participate and the awarding of prizes in a game of chance conducted by the drawing for prizes by lot.

REPRESENTATIVE CRAWFORD asked if this definition includes Powerball.

MR. PRATHER replied that Powerball is not included, as it would require gambling machines. In response to further questioning, he explained that current regulations define a raffle or lottery as "a drawing of tickets by lot, from a container." He said that Powerball would require the approval of the department. He referred to AS 05.15.180(a), which reads as follows:

(a) This chapter does not authorize the use of playing cards, dice, roulette wheels, coin-operated instruments or machines, or other objects or instruments used, designed, or intended primarily for gaming or gambling or any other method or implement not expressly authorized by the department.

[4:55:10 PM](#)

CHAIR ANDERSON asked if "lottery" is necessary based on the statutory definition, or if this can be removed.

MR. PRATHER replied that he does not know why "lottery" was included in the definition.

CHAIR ANDERSON asked who requested the legislation.

MR. JOHNSON replied that the Alaska Broadcasters Association requested the bill.

REPRESENTATIVE CRAWFORD maintained his concern that the bill may unintentionally allow lotteries in the future.

CHAIR ANDERSON said that the bill was requested by a "neutral figure" that would like the option of advertising charitable gaming.

REPRESENTATIVE ROKEBERG stated that "raffle and lottery" is a term of art under current statute.

REPRESENTATIVE CRAWFORD reiterated his belief that the bill should only apply to PSAs, which would preclude the addition of for-profit gambling.

[4:58:57 PM](#)

RICK SCHMIDT, President, Alaska Broadcasters Association (ABA), explained that radio stations are not able to broadcast charitable gaming events, such as raffles and races. As a result, it is necessary to purchase ad space in the local newspaper and hope that enough money is raised. He stated that at times, the charity events have not raised enough money, and expressed frustration with the inability to advertise with radio and television. He said that "lottery" is included in the bill as a result of the current statutory definition.

[5:02:32 PM](#)

CHAIR ANDERSON asked if the general format of the advertisements would be PSAs.

MR. SCHMIDT replied yes. He said that he is against Powerball lotteries, and added that it is important to have a strong community base to ensure that these events are broadcast in a responsible manner, so that the charities can benefit.

REPRESENTATIVE CRAWFORD said that he does not believe the intent of the bill is to expand gambling; however, it may have unintentional consequences of opening up this avenue. He said that keeping the PSA format would prevent abuse. He asked if the ABA would be amenable to this change.

MR. SCHMIDT replied that he would not have a problem with this change, although one reason for the legislation is to have a "[level] playing field" between newspaper, radio, and television. Newspapers, he said, are not restricted to PSAs.

[5:05:50 PM](#)

REPRESENTATIVE CRAWFORD asked if an amendment to restrict newspapers to advertising charitable gaming with PSAs would make this a "level playing field."

MR. SCHMIDT replied that this may "level the playing field" somewhat; however, he would still like the opportunity to purchase air time or newspaper ad space, if needed.

[5:07:28 PM](#)

REPRESENTATIVE CRAWFORD asked if the duck race could be classified as a "classic," since it is legal to advertise on television and radio.

MR. SCHMIDT noted that he has researched this issue. He opined that in the next 100-200 years, everything would be classified as a "classic." He said that with this legislation, the charities would be on equal terms and if passed today, he would be able to give local charities the opportunity to gain community support.

[5:08:56 PM](#)

REPRESENTATIVE CRAWFORD asked if the PSA would help the Girl Scouts.

MR. SCHMIDT replied that it would.

REPRESENTATIVE ROKEBERG asked for clarification regarding the legality of the aforementioned duck race.

MR. PRATHER explained that the "rubber ducky race" is considered a special draw raffle, therefore it is legal.

[5:10:29 PM](#)

STUART A. WHYTE, Advertising Consultant, KFMJ-FM Radio, Ketchikan, said that the bill will enable over-the-air broadcasters to advertise activities that are currently legal. He stated that the bill does not seek to further the cause of those whose intent is to make other forms of gambling legal in the state. He opined that HB 447 addresses an issue which should have been resolved "years ago." He stated that not allowing this type of advertising not only creates an uneven playing field, but also creates confusion with those who would like to advertise and are not aware of this law. He said that this confusion can lead to anger and resentment toward the broadcasting community. He expressed that those involved in broadcasting believe in the power and reach of this type of media, and not being allowed to use this power to assist nonprofits is "unconscionable." He said that he is a member of a nonprofit that raises money by selling pull tabs. He said that the Ketchikan Chamber of Commerce holds an annual auction and dance, during which there is a raffle to raise funds for the Chamber. He noted that the radio can advertise for all portions of the event, with the exception of the raffle, which, he opined, does not make sense.

[5:15:03 PM](#)

CHAIR ANDERSON noted that certain members of the committee would like to hold the bill.

[5:15:12 PM](#)

REPRESENTATIVE LYNN said that the bill is not "as easy as it appears" and added that he would like to speak with Legislative Legal and Research Services regarding possible amendments.

CHAIR ANDERSON inquired as to the subject matter of the amendments.

REPRESENTATIVE LYNN replied that he would like to limit the bill to PSAs, in addition to expanding the bill to prohibit the broadcasting of "rat-races," which was only intended to apply to the state fair.

REPRESENTATIVE ROKEBERG suggested removing "animal classics," from line 6.

REPRESENTATIVE GUTTENBERG asked what the restrictions are for advertising gaming.

MR. PRATHER replied that he is only aware of a U.S. Postal Service prohibition against mailing raffle tickets.

CHAIR ANDERSON stated that the bill would be held over.

REPRESENTATIVE LEDOUX noted that the fiscal note refers to Internet, e-mail, and web sites, although the bill does not. She asked how the sponsor would feel about expanding the bill to include these areas.

MR. PRATHER said that the division views the bill as authorizing the use of the Internet.

CHAIR ANDERSON said that e-mail may be used to advertise a raffle.

REPRESENTATIVE LEDOUX asked where this is in the bill.

REPRESENTATIVE ROKEBERG noted that he would not read it this way.

MR. PRATHER said that in current regulation, "broadcasting" includes the Internet.

MR. PRATHER, in response to questions, said that a raffle may be advertised on the Internet, but gaming activities may not be conducted over the Internet.

REPRESENTATIVE LEDOUX asked if the regulation is inconsistent with the statute if it does not read the same as the regulation.

MR. PRATHER replied that the division has been advised that the language in the bill meets the definition of the Internet.

[HB 447 was held over.]

5:21:46 PM

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 5:21 p.m.