

ALASKA STATE LEGISLATURE
SENATE JUDICIARY STANDING COMMITTEE

April 6, 2006

8:35 a.m.

MEMBERS PRESENT

Senator Ralph Seekins, Chair
Senator Charlie Huggins, Vice Chair
Senator Gene Therriault
Senator Hollis French
Senator Gretchen Guess

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CS FOR HOUSE BILL NO. 318(FIN) am
"An Act limiting the exercise of eminent domain."
HEARD AND HELD

CS FOR HOUSE BILL NO. 400(FIN)
"An Act relating to confiscation of firearms during disaster
emergencies."
MOVED SCS CSHB 400(JUD) OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 272(FIN) am
"An Act relating to card rooms and card operations, and
permitting issuance of a license to own a card room and conduct
card games in a municipality of the state if the municipality
has adopted an ordinance, ratified by a majority of the
municipal voters voting on the question, authorizing card rooms
and card games in that municipality."
HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 318

SHORT TITLE: LIMITATION ON EMINENT DOMAIN

SPONSOR(S): REPRESENTATIVE(S) MCGUIRE, HOLM, HAWKER

01/09/06	(H)	PREFILE RELEASED 12/30/05
01/09/06	(H)	READ THE FIRST TIME - REFERRALS
01/09/06	(H)	JUD, FIN
01/11/06	(H)	JUD AT 1:00 PM CAPITOL 120

01/11/06 (H) Heard & Held
01/11/06 (H) MINUTE(JUD)
01/25/06 (H) JUD AT 1:00 PM CAPITOL 120
01/25/06 (H) Heard & Held
01/25/06 (H) MINUTE(JUD)
02/01/06 (H) JUD AT 1:00 PM CAPITOL 120
02/01/06 (H) -- Meeting Canceled --
02/03/06 (H) JUD AT 1:00 PM CAPITOL 120
02/03/06 (H) Moved CSHB 318(JUD) Out of Committee
02/03/06 (H) MINUTE(JUD)
02/06/06 (H) JUD RPT CS(JUD) NT 3DP 1NR 2AM
02/06/06 (H) DP: WILSON, ANDERSON, MCGUIRE;
02/06/06 (H) NR: GRUENBERG;
02/06/06 (H) AM: GARA, KOTT
02/09/06 (H) FIN AT 1:30 PM HOUSE FINANCE 519
02/09/06 (H) Moved CSHB 318(FIN) Out of Committee
02/09/06 (H) MINUTE(FIN)
02/10/06 (H) FIN RPT CS(FIN) NT 2DP 3NR 3AM
02/10/06 (H) DP: HAWKER, MEYER;
02/10/06 (H) NR: KERTTULA, JOULE, WEYHRAUCH;
02/10/06 (H) AM: STOLTZE, HOLM, FOSTER
02/21/06 (H) TRANSMITTED TO (S)
02/21/06 (H) VERSION: CSHB 318(FIN) AM
02/22/06 (S) READ THE FIRST TIME - REFERRALS
02/22/06 (S) JUD, FIN
03/02/06 (S) JUD AT 8:30 AM BUTROVICH 205
03/02/06 (S) Heard & Held
03/02/06 (S) MINUTE(JUD)
03/09/06 (S) JUD AT 8:30 AM BUTROVICH 205
03/09/06 (S) Heard & Held
03/09/06 (S) MINUTE(JUD)
03/21/06 (S) JUD AT 8:30 AM BUTROVICH 205
03/21/06 (S) Scheduled But Not Heard
03/22/06 (S) JUD AT 8:30 AM BUTROVICH 205
03/22/06 (S) Heard & Held
03/22/06 (S) MINUTE(JUD)
03/28/06 (S) JUD AT 8:30 AM BUTROVICH 205
03/28/06 (S) Heard & Held
03/28/06 (S) MINUTE(JUD)
03/30/06 (S) JUD AT 8:30 AM BUTROVICH 205
03/30/06 (S) -- Meeting Canceled --
04/04/06 (S) JUD AT 8:30 AM BUTROVICH 205
04/04/06 (S) Heard & Held
04/04/06 (S) MINUTE(JUD)

BILL: HB 400

SHORT TITLE: CONFISCATION OF FIREARMS

SPONSOR(s): REPRESENTATIVE(s) COGHILL

01/27/06 (H) READ THE FIRST TIME - REFERRALS
01/27/06 (H) JUD, FIN
02/13/06 (H) JUD AT 1:00 PM CAPITOL 120
02/13/06 (H) Heard & Held
02/13/06 (H) MINUTE(JUD)
02/17/06 (H) JUD AT 1:00 PM CAPITOL 120
02/17/06 (H) Moved CSHB 400(JUD) Out of Committee
02/17/06 (H) MINUTE(JUD)
02/21/06 (H) JUD RPT CS(JUD) 4DP 1NR 1AM
02/21/06 (H) DP: COGHILL, ANDERSON, KOTT, MCGUIRE;
02/21/06 (H) NR: GARA;
02/21/06 (H) AM: GRUENBERG
03/07/06 (H) FIN AT 9:00 AM HOUSE FINANCE 519
03/07/06 (H) Moved CSHB 400(FIN) Out of Committee
03/07/06 (H) MINUTE(FIN)
03/09/06 (H) FIN RPT CS(FIN) NT 7DP 1NR
03/09/06 (H) DP: KELLY, STOLTZE, JOULE, HAWKER,
WEYHRAUCH, MEYER, CHENAULT;
03/09/06 (H) NR: KERTTULA
03/24/06 (H) TRANSMITTED TO (S)
03/24/06 (H) VERSION: CSHB 400(FIN)
03/27/06 (S) READ THE FIRST TIME - REFERRALS
03/27/06 (S) JUD, FIN
04/04/06 (S) JUD AT 8:30 AM BUTROVICH 205
04/04/06 (S) Heard & Held
04/04/06 (S) MINUTE(JUD)

BILL: HB 272

SHORT TITLE: CARD ROOMS & OPERATIONS

SPONSOR(s): REPRESENTATIVE(s) KOTT

04/18/05 (H) READ THE FIRST TIME - REFERRALS
04/18/05 (H) L&C, JUD, FIN
04/21/05 (H) L&C AT 3:15 PM CAPITOL 17
04/21/05 (H) Moved Out of Committee
04/21/05 (H) MINUTE(L&C)
04/22/05 (H) L&C RPT 2DP 2DNP 2NR
04/22/05 (H) DP: KOTT, ANDERSON;
04/22/05 (H) DNP: CRAWFORD, GUTTENBERG;
04/22/05 (H) NR: LEDOUX, ROKEBERG
04/26/05 (H) JUD AT 1:00 PM CAPITOL 120
04/26/05 (H) Moved CSHB 272(JUD) Out of Committee
04/26/05 (H) MINUTE(JUD)
04/27/05 (H) JUD RPT CS(JUD) NT 2DP 1DNP 3NR
04/27/05 (H) DP: KOTT, ANDERSON;

04/27/05 (H) DNP: DAHLSTROM;
 04/27/05 (H) NR: GRUENBERG, GARA, MCGUIRE
 04/29/05 (H) FIN AT 8:30 AM HOUSE FINANCE 519
 04/29/05 (H) Moved CSHB 272(FIN) Out of Committee
 04/29/05 (H) MINUTE(FIN)
 04/30/05 (H) FIN RPT CS(FIN) 2DP 1DNP 4NR
 04/30/05 (H) DP: FOSTER, MOSES;
 04/30/05 (H) DNP: KELLY;
 04/30/05 (H) NR: HOLM, WEYHRAUCH, MEYER, CHENAULT
 05/03/05 (H) MOVED TO BOTTOM OF CALENDAR
 05/03/05 (H) ADJOURNED TO 5/4
 05/04/05 (H) BEFORE THE HOUSE
 05/07/05 (H) TRANSMITTED TO (S)
 05/07/05 (H) VERSION: CSHB 272(FIN) AM
 05/08/05 (S) READ THE FIRST TIME - REFERRALS
 05/08/05 (S) JUD, FIN
 03/23/06 (S) JUD AT 8:30 AM BUTROVICH 205
 03/23/06 (S) -- Meeting Canceled --
 03/29/06 (S) JUD AT 8:30 AM BUTROVICH 205
 03/29/06 (S) Heard & Held
 03/29/06 (S) MINUTE(JUD)
 04/06/06 (S) JUD AT 8:30 AM BUTROVICH 205

WITNESS REGISTER

Craig Johnson, Legislative Aide
 Staff to Representative Lesil McGuire
 Alaska State Capitol
 Juneau, AK 99801-1182

POSITION STATEMENT: Answered questions regarding HB 318

Peter Putzier, Senior Assistant Attorney General
 Department of Law
 PO Box 110300
 Juneau, AK 99811-0300

POSITION STATEMENT: Answered questions regarding HB 318

Representative John Coghill
 Alaska State Capitol
 Juneau, AK 99801-1182

POSITION STATEMENT: Answered questions regarding HB 400

Dean Guaneli, Chief Assistant Attorney General
 Department of Law
 PO Box 110300
 Juneau, AK 99811-0300

POSITION STATEMENT: Answered questions regarding HB 400

Michael O'Hare, Legislative Aide
Staff to Representative Pete Kott
Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Answered questions regarding HB 272

Edward James
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 272

Robert Hall, Vice President
Chamber of Commerce
Houston, Alaska

POSITION STATEMENT: Testified in support of HB 272

Link Fannon, City Councilman
Houston, Alaska

POSITION STATEMENT: Testified in support of HB 272

Ruth Blanchard, City Councilman
Houston, Alaska

POSITION STATEMENT: Testified in support of HB 272

Rosemary Burnett, Deputy Mayor
Houston, Alaska

POSITION STATEMENT: Testified in support of HB 272

Melissa Parker
Alaska Poker Association

POSITION STATEMENT: Testified in support of HB 272

ACTION NARRATIVE

CHAIR RALPH SEEKINS called the Senate Judiciary Standing Committee meeting to order at [8:35:53 AM](#). Present were Senators Hollis French, Charlie Huggins, Gretchen Guess, and Chair Ralph Seekins.

HB 318-LIMITATION ON EMINENT DOMAIN

[8:36:19 AM](#)

CHAIR RALPH SEEKINS announced CSHB 318(FIN) AM to be up for consideration.

CRAIG JOHNSON, Staff to Representative Lesil McGuire, and PETER PUTZIER, Senior Assistant Attorney General, Department of Law (DOL), introduced themselves for the record.

[8:37:04 AM](#)

Senator Gene Therriault joined the meeting.

CHAIR SEEKINS reminded the committee that they were working off version X.A. He reviewed the previously adopted amendments to the bill.

[8:39:41 AM](#)

SENATOR HOLLIS FRENCH noted there has not been a committee substitute (CS) since the amendments.

CHAIR SEEKINS again reviewed the previously adopted amendments to the bill.

[8:41:06 AM](#)

MR. JOHNSON advised the committee that there were further proposed amendments in their packets. These are in response to the committee's suggestions during the previous bill hearing and also from the drafter's suggestions. He advised that the proposed amendment titled 24-LS1083\XA.16 would delete the words "personal residence" on page 4, lines 12, 13, and 21 and replace it with the words "privately owned residence."

CHAIR SEEKINS noted that in order to do so the committee would have to amend the findings section of the bill in order to match the other sections that referred to "privately owned residence." He asked Mr. Putzier to comment.

MR. PUTZIER advised that "personal residence" is already defined in statute and that it is better to be consistent with terminology. He did not see a need to change the intent language.

SENATOR GRETCHEN GUESS asked the reason the committee didn't just delete "landowners" so that "personal residence" remained consistent. She said she forgot the reason the committee changed the language from "landowners personal" to "privately owned."

CHAIR SEEKINS said he didn't recall the reason either.

MR. JOHNSON responded that it came out of a meeting in the Chairman's office.

CHAIR SEEKINS set 24-LS1083\XA.16 aside.

MR. JOHNSON referred to 24-LS1083\XA.17 as purely a technical fix. The new language in the bill should have been underlined.

SENATOR CHARLIE HUGGINS moved Amendment 7. Hearing no objections, the amendment was adopted.

[8:45:37 AM](#)

MR. JOHNSON advised that 24-LS1083\XA.18 was an amendment that would protect the home of a beneficiary of a trust.

CHAIR SEEKINS clarified that the amendment basically states that if the beneficiary of a trust has occupied the residence then that person's home is protected.

MR. JOHNSON said he spoke to a real estate professional who told him that there is nothing that assures that type of disclosure in the disclosure statement and so the amendment is sound in that it would protect that new homeowner.

SENATOR HUGGINS moved Amendment 8. Hearing no objections, Amendment 8 was adopted.

[8:47:26 AM](#)

MR. JOHNSON advised that 24-LS1083\XA.19 would delete "small" from the phrase "boat harbor" and insert "fresh water" on page 5, line 8. This is to address a concern of Senator Huggins, who wanted to protect the lakes and rivers of the Mat-Su Valley while still allowing people in coastal areas the right to utilize the power of eminent domain to access boat harbors.

SENATOR HUGGINS moved Amendment 9.

SENATOR GUESS objected. Although she appreciated the amendment, she stated there was still a problem in that the committee has yet to define "boat harbor" in the statutes.

MR. JOHNSON stated that if her concern was for transportation purposes, that would still be allowed but since the bill was strictly addressing recreational purposes, her concern was unwarranted.

SENATOR GUESS disagreed saying that since there is no definition of "boat harbor" the committee was restricting something that has no definition.

CHAIR SEEKINS admitted that was a problem, although he felt fairly comfortable with page 6 and the list of things not included on lines 2-4. He said it was not the intent of the bill to preclude boat launches or temporary tie-up areas.

8:51:30 AM

CHAIR SEEKINS continued with concern that the phrase "primarily for recreation" was not defined. He promised Senator Guess that he would continue to work on her concern as well.

SENATOR GUESS withdrew her objection to Amendment 9. Hearing no further objections, Amendment 9 was adopted.

8:52:07 AM

MR. JOHNSON advised that 24-LS1083\XA.20 was not a necessary amendment and asked Mr. Putzier to explain.

MR. PUTZIER said the amendment was originally drawn when there was a paragraph 7 under subsection (d), which was the "legislative out." Therefore the committee wouldn't need the amendment but would need to have an amendment adopting a reference to the "legislative out" in the new subsection (f), which is addressed in an upcoming amendment.

8:54:00 AM

MR. JOHNSON explained that 24-LS1083\XA.21 was up for discussion.

SENATOR FRENCH asked whether this document would augment the previously adopted Amendment 5.

MR. PUTZIER clarified that 24-LS1083\XA.21 would be offered in lieu of the other amendment. There is a problem with saying that only the state may delegate eminent domain powers because "state" was unclear and it could be any entity of the state. This amendment makes it crystal clear that the powers may only be delegated by statute.

SENATOR GUESS asked for time to digest the amendment.

8:57:44 AM

SENATOR GUESS said the local level process can be much more difficult than the legislative process and expressed a preference for local governmental control.

SENATOR THERRIAULT agreed with Senator Guess.

CHAIR SEEKINS said that XA.21 would allow municipalities to exercise powers of eminent domain with a majority vote. He said feedback from his constituents would prefer that the Legislature maintain control over eminent domain concerning trails and roads for recreational use within the 250 foot limit. He asked for discussion.

[8:59:28 AM](#)

SENATOR FRENCH expressed an interest in hearing public testimony because the *City of New London versus Kelo* case took private property for economic development, not for recreational access. The taking of private property for economic development is the prime aspect behind the bill and so it surprised him that people in Alaska are more concerned over the recreational aspect of the bill since that has never been an issue in Alaska.

CHAIR SEEKINS agreed but asserted that was the concern from the people in his district.

SENATOR GUESS expressed concern about people not having access to hunting or other things that could be deemed as "recreation" and that people could bring about suits since "recreation" is not defined in statute. She remained comfortable with the local option because the Legislature does not work year round and because of a lack of definition of recreation. Local governments work all year round and so they would be better able to control the eminent domain issues as they come about.

[9:02:11 AM](#)

SENATOR HUGGINS said he assumed the committee was working on that definition. He said in his case, most of the people are concerned with the recreational aspect, not that a Wal-Mart was being built next to somebody's cabin.

SENATOR FRENCH suggested that procedurally the committee should divide the proposed amendment. He made a motion to divide the amendment. Hearing no objection, the motion carried. He moved Amendment 10A.

24-LS1083\XA.21
Bullock

A M E N D M E N T 10A

OFFERED IN THE SENATE
TO: CSHB 318(FIN) am

Page 4, line 8:

Delete ";"

Insert "."

Page 4, line 9:

Delete all material.

Page 4, following line 15:

Insert new subsections to read:

"(f) Notwithstanding the limitations on the power of eminent domain in (d) and (e) of this section, the legislature may approve the exercise of eminent domain by law.

(g) The power of eminent domain may only be delegated by statute."

SENATOR GUESS noted that the committee previously deleted the Legislative approval of transfer.

MR. PUTZIER said:

As it was put in the original draft, the "legislative out" applied to private-to-private transfers but would not apply to recreational transfers in subsection (e). The new subsection (f) would allow the Legislature on a case-by-case basis allow the exercise of eminent domain for private-to-private or for recreational. As it was originally drafted and left in (d)(7), it would only apply to private-to-private and would essentially be an outright bar under any circumstances for eminent domain used in the context of a recreational take.

[9:07:21 AM](#)

SENATOR GUESS said as she looks back on the past amendments, the committee has now deleted page 4, line 9 twice.

SENATOR FRENCH said to clarify, he meant for Amendment 10A to supersede Amendment 6.

CHAIR SEEKINS reiterated that the local control amendment would apply only to the 24th Legislature.

MR. PUTZIER agreed. He said the DOL feels more comfortable using the original language in the bill but said that Amendment 6 would only bind the current Legislature.

CHAIR SEEKINS said the most binding effect would be in the Uniform Rules and they are subject to change by the body. The problem is that the Uniform Rules trump the statute.

[9:12:42 AM](#)

SENATOR FRENCH said, as the Senator who moved Amendment 10A, he is more comfortable with Amendment 6, as it is more potent from a citizen's perspective.

CHAIR SEEKINS said he agreed with the concept but the problem is that the next committee would probably extract it.

SENATOR FRENCH objected to Amendment 10A.

Roll call proved Amendment 10A failed with all Senators voting no.

CHAIR SEEKINS called a brief at ease at [9:15:16 AM](#).

[9:17:44 AM](#)

CHAIR SEEKINS moved to rescind Amendment 5. Hearing no objections, the motion carried. Chair Seekins moved Amendment 10B. Insert a new subsection (f) to say, "The power of eminent domain may only be delegated by statute." Hearing no objections, Amendment 10B was adopted.

CHAIR SEEKINS moved to rescind Amendment 4.

SENATOR FRENCH objected.

SENATOR THERRIAULT asked the reason for rescinding Amendment 4.

CHAIR SEEKINS said:

This allows a municipality to have override power on private-to-private for economic reasons but does not allow municipal override on the 250-foot rule, as I understand it.

SENATOR GUESS said, "On anything recreational."

SENATOR FRENCH said, "Point of order, it doesn't have to take the home, it just has to take it within the buffer area within the 250 feet from the home."

Roll call proved Amendment 4 was rescinded on a 3-2 vote with Senators Guess and French voting no and Senator Therriault, Huggins, and Chair Seekins voting yes.

[9:21:47 AM](#)

SENATOR THERRIAULT moved Amendment 10C.

Page 6, line 19, following "AS 09.55.240(e).":

Insert "However, a municipality may exercise the power of eminent domain to acquire private property from a private person for the purpose of transferring title to the property to another private person for economic development if

(1) the municipality does not delegate the power of eminent domain to another person;

(2) before issuing the notice in (3) of this subsection, the municipality makes a good faith effort to negotiate the purchase of the property;

(3) written notice is provided at least 90 days before the public hearing to each owner of land that may be affected by the exercise of eminent domain;

(4) the municipality holds a public hearing on the exercise of eminent domain after adequate public notice;

(5) the governing body of the municipality approves the exercise of eminent domain by a two-thirds majority vote; and

(6) in the case of a second class city, the governing body of the city adopts an ordinance by a two-thirds majority vote, the ordinance is submitted to the voters for approval at the next general election or at a special election called for that purpose, and the exercise of eminent domain is approved by a majority of the votes on the question."

Amendment 10C was adopted unanimously.

[9:23:47 AM](#)

CHAIR SEEKINS returned to 24-LS1083\XA.16 and said it would allow for a personal residence to be owned by a subchapter S or an LLC or a partnership. It would give a broader interpretation to the ownership.

[9:26:23 AM](#)

SENATOR GUESS asked the purpose of the amendment.

SENATOR FRENCH commented that there was no reason for the amendment.

CHAIR SEEKINS agreed and closed public testimony. He asked for the will of the committee.

SENATOR FRENCH asked for a clean CS before moving the bill out.

CHAIR SEEKINS agreed and held the bill in committee.

[9:28:40 AM](#)

HB 400-CONFISCATION OF FIREARMS

[9:35:54 AM](#)

CHAIR RALPH SEEKINS announced CSHB 400(FIN) to be up for consideration.

REPRESENTATIVE JOHN COGHILL informed the committee that he addressed the concerns of the committee in the previous bill hearing of how to handle people in governmental positions who violated an oath of office. He deferred to Mr. Guaneli to explain an amendment that he was prepared to offer.

DEAN GUANELI, Chief Assistant Attorney General, Department of Law (DOL), advised the committee that he checked on the various public officials that could be subject to the provision and crafted a mechanism for achieving the removal of office. The primary people who would be subject to the provision are police officers who would use their authority to confiscate firearms. Potentially the governor or the mayor could come under the provision but it would be unlikely.

[9:39:15 AM](#)

MR. GUANELI proposed the amendment and said it basically said that a person convicted under the crime of confiscating firearms under disaster circumstances would be subject to revocation of the person's police officer certificate. Subsections (2) and (3) address elected public officials. This doesn't eliminate the possibility of a lawsuit but it does say that a person convicted would be subject to impeachment. Subsection (3) outlines the removal of elected officials. The proposed amendment would use existing statutory mechanisms to provide for the removal of a person from office.

[9:42:28 AM](#)

SENATOR GRETCHEN GUESS asked Mr. Guaneli whether there were public safety officials that wouldn't fall under the provision.

MR. GUANELI replied that Village Public Safety Officers (VPSOs) fall under the authority of the Alaska State Troopers and it is a very loose administrative approval process so that presents a problem.

CHAIR SEEKINS noted they wouldn't have a certification to lose, although they would lose their position.

9:44:56 AM

SENATOR GUESS asked whether a VPSO would get an exemption if they were directed by a trooper to confiscate firearms.

MR. GUANELI said the intent is that they would not fall under the exemption but by law they have peace officer authority.

SENATOR GENE THERRIAULT moved Amendment 1.

24-LS1543\X.1
Luckhaupt

A M E N D M E N T 1

OFFERED IN THE SENATE
TO: CSHB 400(FIN)

Page 1, line 7, through page 2, line 1:

Delete all material and insert:

"Sec. 26.23.205. Confiscation of firearms. (a) A person convicted of official misconduct under AS 11.56.850, or interference with constitutional rights under AS 11.76.110, as a result of confiscating, attempting to confiscate, or ordering the confiscations of a firearm, under color of law, during a disaster emergency,

(1) forfeits any appointed government position and, if under the jurisdiction of the Alaska Police Standards Council, is subject to revocation of the person's police certification;

(2) is subject to impeachment under art. II, sec. 20, Constitution of the State of Alaska; or

(3) is subject to having the person's elected municipal office declared vacant under AS 29.20.170 or 29.20.280.

(b) This section does not apply if the person is acting as a private citizen who has been directed to confiscate a firearm by another whom the person reasonably

believes to be a peace officer or active member of the armed forces or militia.

(c) A conviction described in (a) of this section is an offense involving a violation of the oath of office for purposes of AS 29.20.170 or 29.20.280."

Hearing no objections, the committee adopted the Amendment 1.

SENATOR THERRIAULT asked for clarification whether there was a clear definition of confiscation. He posed a hypothetical situation of a person stealing his neighbor's firearm in a disaster situation in order to protect himself.

MR. GUANELI responded that was discussed in other committees and everyone recognized that the taking of a weapon in order to protect the public would not be something the DOL would prosecute.

[9:48:15 AM](#)

SENATOR GUESS said a police officer that suspects that a person intends to harm another would have the duty and the right to confiscate that weapon.

MR. GUANELI added that HB 400 is not intended to prevent police officers from stopping criminal activity.

SENATOR CHARLIE HUGGINS moved SCS CSHB 400(JUD) from committee with individual recommendations and attached fiscal notes. Hearing no objection, the motion carried.

CHAIR SEEKINS announced a brief recess at [9:50:44 AM](#).

HB 272-CARD ROOMS & OPERATIONS

[9:52:18 AM](#)

CHAIR RALPH SEEKINS announced CSHB 272(FIN) AM to be up for consideration.

MICHAEL O'HARE, Staff to Representative Pete Kott, advised the committee of a committee substitute (CS) identified as 24-LS0916\L. The changes are as follows:

Page 2, line 8 allows for a maximum fee or rake a licensed owner may collect from players to be up to \$4.00 per game.

Page 2, line 13 adds that a municipality may regulate the hours of operation and other matters relating to card rooms within the municipality.

Page 2, starting at line 28 after "department" adds that the licensed owner shall obtain a signed self determined pre-set loss limit from the player before selling tokens or chips.

Page 8, line 23 says an owner's license may not be transferred, sold, or purchased. It is a non-transferable license.

Page 9, line 9 allows for licenses to be issued for card room operations in a municipality that has a municipal police department if the municipality has adopted the ordinance, ratified by at least 60 percent of the municipal voters voting to authorize card rooms and card games in that municipality. If the population of the municipality is less than 50,000, only one owner's license may be issued in that municipality. If the population of the municipality is 50,000 or more, the total number of owner's licenses issued may not exceed the total population divided by 50,000.

Page 11, line 7 subsection (b) is added as a factor to consider in granting an owner's license, the department shall make an application for an owner's license available for public inspection and copying, and shall invite the public comment on an application and consider all comments received in determining whether to grant the owner's license.

Page 11, line 11 adds subsection (c) in order to give local input to the department in order to determine who would get a license in the case of more than one entity vying for a permit.

[9:56:23 AM](#)

SENATOR CHARLIE HUGGINS moved version L as the working document before the committee. Hearing no objections, the motion carried.

MR. O'HARE submitted answers to questions that the committee had in the previous bill hearing. He added the document titled Question to the Sponsor of HB 272 Posed by the Senate Judiciary Committee Dated 03/29/2006 to the committee packet.

[10:01:25 AM](#)

CHAIR SEEKINS called for public testimony.

EDWARD JAMES, Anchorage, testified in favor of the bill.

DAN STICKLE, Economist for the Department of Revenue (DOR), offered to answer questions regarding the fiscal note.

ROBERT HALL, Vice President of the Houston Chamber of Commerce, testified in favor of the bill. He thanked the sponsor for adding the changes that the city suggested.

[10:09:03 AM](#)

MR. HALL recognized the hesitancy of the committee to passing the bill and suggested that they put the question on the ballot and allow the public to vote on it.

LINK FANNON, City Councilman, Houston, Alaska, testified in support of the bill. He thanked the sponsor for adding the suggested changes to the bill, such as local control and the super-majority vote. He advised the committee that the City of Houston was taking an economic approach to the bill. Card playing is happening currently and a lot of money is going out of the country, he said. The State of Alaska needs to enforce consumer protection and allow citizens to play in their home state in a safe environment.

[10:12:02 AM](#)

RUTH BLANCHARD, City Council Member of Houston, Alaska testified in favor of the bill. The bill provides for a safe and responsible way for people to enjoy playing poker, she asserted.

ROSEMARY BURNETT, Deputy Mayor of Houston, testified in support of the bill.

[10:15:09 AM](#)

MELISSA PARKER, representing the Alaska Poker Association, testified in support of the bill. She said her organization has been approached by several organizations, such as churches and the police, who asked them to help organize poker tournaments. She said HB 272 would help people stay in Alaska to play poker and that the money would stay in state.

SENATOR GENE THERRIAULT asked Ms. Parker whether she had any reason to believe that people wouldn't still go out of the state, play online, or play in back rooms. He took issue with the claim that the bill would keep money in the state.

MS. PARKER said it wouldn't prevent Internet gaming but that Alaskan's would stay in state to play in the tournaments, rather than going out of state to play.

SENATOR HUGGINS asked Ms. Parker a reasonable parameter of loss-limits.

MS. PARKER said that would be self-imposed and so it would be an individual decision.

[10:19:34 AM](#)

CHAIR SEEKINS asked Ms. Parker her thoughts of whether the card rooms would morph into rooms full of gaming, including bingo and pull-tabs.

MS. PARKER said it would be up to the municipality but it could be likely.

CHAIR SEEKINS asked her impression of the cost of opening a card room.

MS. PARKER said someone would have to be wealthy to open up a card room.

[10:22:16 AM](#)

CHAIR SEEKINS closed public testimony and asked for discussion among committee members. He asked for the will of the committee.

CHAIR SEEKINS recognized that there was no will of the committee and he held the bill in committee.

There being no further business to come before the committee, Chair Seekins adjourned the meeting at [10:23:41 AM](#).