

**ALASKA STATE LEGISLATURE**  
**SENATE LABOR AND COMMERCE STANDING COMMITTEE**

April 21, 2005

1:34 p.m.

**MEMBERS PRESENT**

Senator Con Bunde, Chair  
Senator Ralph Seekins, Vice Chair  
Senator Ben Stevens  
Senator Johnny Ellis  
Senator Bettye Davis

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 149

"An Act relating to breaches of security involving personal information, consumer report security freezes, consumer credit monitoring, protection of social security numbers, disposal of records, factual declarations of innocence after identity theft, furnishing consumer credit header information, and filing police reports regarding identity theft; and amending Rule 60, Alaska Rules of Civil Procedure."

MOVED CSSSSB 149(L&C) OUT OF COMMITTEE

SENATE BILL NO. 175

"An Act relating to dispensing opticians, to dispensing optician apprentices, to the Board of Dispensing Opticians, and to the practice of dispensing opticianry; and providing for an effective date."

MOVED CSSB 175(L&C) OUT OF COMMITTEE

SENATE BILL NO. 138

"An Act relating to a motor vehicle dealer's selling certain motor vehicles as new model motor vehicles or as new model motor vehicles having a manufacturer's warranty."

MOVED CSSB 138(L&C) OUT OF COMMITTEE

SENATE BILL NO. 165

"An Act relating to card rooms and card operations."

MOVED CSSB 165(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 35

"An Act extending the termination date of the State Board of Registration for Architects, Engineers, and Land Surveyors; and providing for an effective date."

MOVED SCS HB 35(L&C) OUT OF COMMITTEE

SENATE JOINT RESOLUTION NO. 15

Requesting the United States Congress to end the abuse of tort laws against the firearms industry.

MOVED SJR 15 OUT OF COMMITTEE

SENATE CONCURRENT RESOLUTION NO. 10

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 35, extending the termination date of the State Board of Registration for Architects, Engineers, and Land Surveyors.

MOVED SCR 10 OUT OF COMMITTEE

SENATE BILL NO. 168

"An Act relating to insurance rate-making and form filing."

BILL HEARING CANCELED

#### **PREVIOUS COMMITTEE ACTION**

BILL: SB 149

SHORT TITLE: PROTECTION OF PERSONAL INFORMATION

SPONSOR(s): SENATOR(s) GUESS

03/21/05	(S)	READ THE FIRST TIME - REFERRALS
03/21/05	(S)	L&C, JUD
03/31/05	(S)	SPONSOR SUBSTITUTE INTRODUCED-REFERRALS
03/31/05	(S)	L&C, JUD
04/14/05	(S)	L&C AT 1:30 PM BELTZ 211
04/14/05	(S)	Heard & Held
04/14/05	(S)	MINUTE(L&C)
04/21/05	(S)	L&C AT 1:30 PM BELTZ 211

BILL: SB 175

SHORT TITLE: DISPENSING OPTICIANS

SPONSOR(s): LABOR & COMMERCE

04/14/05	(S)	READ THE FIRST TIME - REFERRALS
04/14/05	(S)	L&C, FIN
04/14/05	(S)	L&C AT 1:30 PM BELTZ 211
04/14/05	(S)	Heard & Held
04/14/05	(S)	MINUTE(L&C)
04/21/05	(S)	L&C AT 1:30 PM BELTZ 211

BILL: SB 138

SHORT TITLE: MOTOR VEHICLE DEALER SALES

SPONSOR(s): LABOR & COMMERCE

03/08/05 (S) READ THE FIRST TIME - REFERRALS  
03/08/05 (S) L&C, FIN  
03/17/05 (S) L&C AT 1:30 PM BELTZ 211  
03/17/05 (S) Heard & Held  
03/17/05 (S) MINUTE(L&C)  
04/21/05 (S) L&C AT 1:30 PM BELTZ 211

BILL: SB 165

SHORT TITLE: CARD ROOMS & OPERATIONS

SPONSOR(s): SENATOR(s) COWDERY

04/08/05 (S) READ THE FIRST TIME - REFERRALS  
04/08/05 (S) L&C, FIN  
04/19/05 (S) L&C AT 1:30 PM BELTZ 211  
04/19/05 (S) Heard & Held  
04/19/05 (S) MINUTE(L&C)  
04/21/05 (S) L&C AT 1:30 PM BELTZ 211

BILL: HB 35

SHORT TITLE: EXTEND BD ARCHITECTS/ENGINEERS/SURVEYORS

SPONSOR(s): REPRESENTATIVE(s) KOHRING

01/10/05 (H) PREFILE RELEASED 12/30/04  
01/10/05 (H) READ THE FIRST TIME - REFERRALS  
01/10/05 (H) L&C, FIN  
01/26/05 (H) L&C AT 3:15 PM CAPITOL 17  
01/26/05 (H) Scheduled But Not Heard  
01/31/05 (H) L&C AT 3:15 PM CAPITOL 17  
01/31/05 (H) Moved Out of Committee  
01/31/05 (H) MINUTE(L&C)  
02/02/05 (H) L&C RPT 6DP  
02/02/05 (H) DP: LYNN, KOTT, LEDOUX, GUTTENBERG,  
ROKEBERG, ANDERSON  
02/28/05 (H) FIN AT 1:30 PM HOUSE FINANCE 519  
02/28/05 (H) Heard & Held  
02/28/05 (H) MINUTE(FIN)  
03/01/05 (H) FIN AT 1:30 PM HOUSE FINANCE 519  
03/01/05 (H) Moved CSHB 35(FIN) Out of Committee  
03/01/05 (H) MINUTE(FIN)  
03/02/05 (H) FIN RPT CS(FIN) NT 4DP 1DNP 4NR  
03/02/05 (H) DP: HAWKER, FOSTER, MOSES, CROFT;  
03/02/05 (H) DNP: STOLTZE;  
03/02/05 (H) NR: JOULE, WEYHRAUCH, MEYER, CHENAULT

04/06/05 (H) RLS RPT 1DP 5NR  
 04/06/05 (H) DP: KOHRING;  
 04/06/05 (H) NR: BERKOWITZ, HARRIS, COGHILL,  
 MCGUIRE, ROKEBERG  
 04/06/05 (H) RETURNED TO RULES COMMITTEE  
 04/06/05 (H) RLS AT 8:30 AM CAPITOL 106  
 04/06/05 (H) Moved Out of Committee  
 04/06/05 (H) MINUTE(RLS)  
 04/08/05 (H) TRANSMITTED TO (S)  
 04/08/05 (H) VERSION: HB 35  
 04/11/05 (S) READ THE FIRST TIME - REFERRALS  
 04/11/05 (S) L&C, FIN  
 04/21/05 (S) L&C AT 1:30 PM BELTZ 211

BILL: SJR 15

SHORT TITLE: BAN LAWSUITS AGAINST FIREARMS INDUSTRY  
 SPONSOR(s): SENATOR(s) HUGGINS

03/09/05 (S) READ THE FIRST TIME - REFERRALS  
 03/09/05 (S) L&C, JUD  
 04/21/05 (S) L&C AT 1:30 PM BELTZ 211

BILL: SCR 10

SHORT TITLE: SUSPEND UNIFORM RULES FOR HB 35  
 SPONSOR(s): LABOR & COMMERCE

**WITNESS REGISTER**

SENATOR GRETCHEN GUESS  
 Alaska State Capitol  
 Juneau, AK 99801-1182  
**POSITION STATEMENT:** Sponsor of SB 149.

BARBARA HUFF-TUCKNESS, Director  
 Governmental and Legislative Affairs  
 Teamsters Local 959  
 Juneau AK  
**POSITION STATEMENT:** Supported SB 149.

RICK URION, Director  
 Division of Occupational Licensing  
 Department of Community & Economic Development  
 PO Box 110800  
 Juneau, AK 99811-0800  
**POSITION STATEMENT:** Commented on SB 149 and supported SB 175.

JANE ALBERTS

Staff to Senator Bunde  
Alaska State Capitol  
Juneau, AK 99801-1182

**POSITION STATEMENT:** Commented on SB 175 for the sponsor.

LARRY HARPER, Chairman  
American Board of Opticianry  
6506 Loisdale Rd., Suite 209  
Springfield VA 22150

**POSITION STATEMENT:** Was available to answer questions on SB 175.

DWAYNE BANNOCK  
Division of Motor Vehicles  
Department of Administration  
PO Box 110200  
Juneau AK 99811-0200

**POSITION STATEMENT:** Supported CSSB 138(L&C).

ED SNIFFEN  
Department of Law  
PO Box 110300  
Juneau AK 99811-0300

**POSITION STATEMENT:** Supported CSSB 138(L&C).

ROGER GAY  
Big Lake AK

**POSITION STATEMENT:** Opposed SB 165.

RYAN MCKINSTER  
Staff to Senator Cowdery  
Alaska State Capitol  
Juneau AK 99801-1182

**POSITION STATEMENT:** Commented on SB 165 for the sponsor.

LARRY MEYERS, Deputy Director  
Tax Division  
Department of Revenue  
PO Box 110400  
Juneau AK 99811-0400

**POSITION STATEMENT:** Commented on SB 165.

BRETT FRIED, Economist  
Department of Revenue  
PO Box 110400  
Juneau AK 99811-0400

**POSITION STATEMENT:** Commented on SB 165.

REPRESENTATIVE VIC KOHRING  
Alaska State Capitol  
Juneau AK 99801-1182  
**POSITION STATEMENT:** Sponsor of HB 35.

PAT DAVIDSON, Legislative Auditor  
Legislative Audit Division  
Alaska State Capitol  
Juneau AK 99801-1182  
**POSITION STATEMENT:** Supported SCS HB 35.

SAM KITO III  
Alaska Professional Design Council  
Anchorage AK  
**POSITION STATEMENT:** Supported SCS HB 35.

KENNETH MAYNARD, Chairman  
Architects, Engineers and Land Surveyors Board (AELS)  
Anchorage AK  
**POSITION STATEMENT:** Supported SCS HB 35.

SHAWN FLORIO  
Alaska Public Design Council (APDC)  
Anchorage AK  
**POSITION STATEMENT:** Supported SCS HB 35.

RYAN MOORE  
Staff to Senator Huggins  
Alaska State Capitol  
Juneau AK 99801-1182  
**POSITION STATEMENT:** Commented on SJR 15 for sponsor.

**ACTION NARRATIVE**

**CHAIR CON BUNDE** called the Senate Labor and Commerce Standing Committee meeting to order at [1:34:20 PM](#). Present were Senators Ben Stevens, Bettye Davis, Johnny Ellis and Chair Con Bunde.

^#SB149

**SB 149-PROTECTION OF PERSONAL INFORMATION**

CHAIR CON BUNDE announced SSSB 149 to be up for consideration. He recapped that he had asked Senator Ellis and Senator Guess to develop a single bill on identity theft, which is now SB 149.

SENATOR GUESS, sponsor, explained that the first two sections of SB 148 were similar to the first two sections of SB 149 and

therefore she is still referring to SB 149, version \Y. She informed the committee that there had been three more public security breaches since the last hearing.

[1:36:27 PM](#)

SENATOR GUESS said there were three concerns at the last meeting. One was federal legislation that Diane Feinstein introduced that has had one hearing, hasn't moved and doesn't have any co-sponsors. It insures what is in Article 1 of SB 149, which says if you have a security breach, you have to tell people about it. She did not believe the Alaska legislature would be treading on something the federal government is addressing right now.

Second - the Choice Point letter - She talked to Linda Hall, Division of Insurance, and it is not her opinion that anything in this bill would lead to increased insurance premiums, which is in disagreement with the letter.

Third, Senator Seekins was concerned about consumers needing to have access to their credit reports within 24 hours to make a purchase. This resulted in Amendment 1, labeled Y.2, which is also supported by Progressive Insurance. The amendment allows immediate unfreezing of a security report by E-mail or phone. If it's by mail, three days are still required, because you never know where a letter goes in the mail system of a big corporation.

CHAIR BUNDE noted that the committee received an indeterminate fiscal note from the Department of Community & Economic Development (DCED) because it wouldn't know what would happen without an actual breach of security of state records. He asked Senator Guess if she referred earlier to security breaches in the private sector.

SENATOR GUESS replied yes.

[1:39:02 PM](#)

CHAIR BUNDE asked if notifying one million people of a breach in the state security system was a worst-case scenario.

SENATOR GUESS replied that is a worst-case scenario and for a large population, you don't need to use an individual letter and that would make the fiscal note almost zero. Notification is easier than having to notify 1,000 people.

[1:40:52 PM](#)

CHAIR BUNDE moved Amendment 1, \Y.2, dated 4/18, and objected for discussion purposes.

24-LS0809\Y.2  
Bannister  
11/10/05

A M E N D M E N T 1

OFFERED IN THE SENATE

BY SENATOR GUESS

TO: SSSB 149

Page 5, line 1:

Delete "or (2)"

Page 5, lines 1 - 2:

Delete "within three business days after receiving a request under (a)(3) of this section"

Insert "immediately after receiving a request under (a)(2) or (3) of this section"

Page 5, lines 28 - 29:

Delete "within three business days after receiving the request"

Insert "immediately after receiving the request by telephone or electronic mail or within three business days after receiving the request by certified mail"

Page 6, line 31, through page 7, line 1:

Delete "within three business days"

Insert "immediately"

Page 8, line 18 - 19:

Delete "not later than three business days after receiving your request"

Insert "immediately after receiving your request if you make the request by telephone or electronic mail, or within three business days after receiving your request if you make the request by certified mail"

SENATOR GUESS said the amendment addresses the immediacy concern expressed by Senator Seekins.

CHAIR BUNDE removed his objections and Amendment 1 was adopted.

1:42:34 PM

BARBARA HUFF-TUCKNESS, Director, Governmental and Legislative Affairs, Teamsters Local 959, supported SB 149 with the additional amendments. Prior to 911, many of her members worked for employers that conducted background checks and gathering of personal information. Since 911 more and more information is

being gathered on behalf of employees and she is working with the sponsor to make sure that information is duly protected through things like the proper chain of custody and how information is disposed of. She pointed out that this is a major new industry with a lot of companies getting into the business.

CHAIR BUNDE asked the director of the Division of Occupational Licensing if his information could be breached to the point that it would be a security risk for the individuals and how would that impact the division.

RICK URION, Director, Division of Occupational Licensing, Department of Community & Economic Development (DCED), responded that he is not an expert in that field, but he said a lawsuit was filed yesterday about information that was obtained on-line from the division's system.

[1:46:07 PM](#)

SENATOR RALPH SEEKINS joined the committee.

[1:46:18 PM](#)

SENATOR BEN STEVENS moved CSSSSB 149(L&C) from committee with individual recommendations and attached fiscal notes. Senators Davis, Seekins, Ben Stevens, Ellis and Chair Bunde voted yea; and CSSSSB 149(L&C) moved from committee.

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^#SB175

**SB 175-DISPENSING OPTICIANS**

CHAIR BUNDE announced SB 175 to be up for consideration. He moved to adopt CSSB 175(L&C), version F, dated 4/18/05, and objected for an explanation.

JANE ALBERTS, staff to Senator Bunde, explained that there are two small changes to the bill - one is on page 3, lines 10 - 11 and lines 14 and 15 changing the required hours from 1,800 to 2,000 to mirror requirements of the U.S. Department of Labor Apprenticeship Program, which is taking over administration of the program.

Another change is on page 6, line 28, where AS 08.01.016 was removed under the repeal section for consistency. Also, a list of which states do and do not license opticians was included. The most recent information is from 2003.

RICK URION, Director, Division of Occupational Licensing, reported that at the beginning of FY03 there was a deficit of \$38,700, but that has been reduced to \$16,700. He recently completed the biennial review of fees for licensing under this board and determined that they would stay the same for the next licensing period. In two years the deficit would be gone and fees would then be reduced.

CHAIR BUNDE recapped that this bill has the board sunset and his division would take over licensing. He asked if the fee would be adequate for his department to take over the job.

MR. URION replied yes.

LARRY HARPER, Chair, American Board of Opticianry, said he was available to answer questions.

[1:54:02 PM](#)

SENATOR SEEKINS moved to pass CSSB 175(L&C) from committee with individual recommendations and attached fiscal notes. Senators Davis, Seekins, Ellis, Ben Stevens and Chair Bunde voted yea; and CSSB 175(L&C) moved from committee.

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^#SB138

**SB 138-MOTOR VEHICLE DEALER SALES**

CHAIR CON BUNDE announced SB 138 to be up for consideration.

SENATOR RALPH SEEKINS moved to adopt CSSB 138(L&C), version I.

CHAIR BUNDE objected for discussion purposes.

SENATOR SEEKINS explained that he is an automobile dealer of both new and used cars. The bill clears up a conflict in the law regarding the definition of a new vehicle and who can sell one. The definition of a new motor vehicle is one that retains the Manufacturer's Certificate of Origin. Once a vehicle is sold to a retail purchaser, the sticker is turned over to the Department of Motor Vehicles (DMV) and a new vehicle is defined as one that has never had that manufacturer's certificate turned over for titling. However, he could still transfer a new vehicle to another franchise dealer without it becoming a used vehicle.

[1:58:24 PM](#)

DWAYNE BANNOCK, Division of Motor Vehicles, said his one concern disappeared with the CS. Previous versions had greater

descriptive language of what a new vehicle was and that was not helpful to the division.

[1:59:32 PM](#)

ED SNIFFEN, Department of Law, had no problems with new version.

[2:00:19 PM](#)

SENATOR SEEKINS moved to pass CSSB 138(L&C) from committee with individual recommendations and attached fiscal notes. Senators Seekins, Ben Stevens, Ellis, Davis and Chair Bunde voted yea; and CSSB 138(L&C) moved from committee.

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^#SB165

### SB 165-CARD ROOMS & OPERATIONS

CHAIR CON BUNDE announced SB 165 to be up for consideration.

[2:01:50 PM](#)

SENATOR RALPH SEEKINS moved to adopt CSSB 165(L&C), version L.

CHAIR BUNDE objected to explain the changes in the CS. It adds the term "rake" and defines it as the house money that is retained from a card game. He reminded people that card games for money are currently legal in Alaska as long as the house doesn't get paid for putting the game on. It also gives the department the power to determine what the maximum rake for games played in the card room would be and removes a minimum wager so the department only decides what maximum wagers are. It also adds the provision that only players in a card game may place a wager on that game.

Section AS 05.18.200 changes licensing for card rooms. If the population is lower than 30,000 people, a license may be issued only if an ordinance is adopted by the municipality and ratified by a vote of the people. It also changes the number of licensed facilities so that a population of 59,900 can have two facilities and a population of 60,000 or more can have a maximum of three card rooms.

Section AS 05.18.210 removes submission of design from the title because it doesn't really relate to the design.

Section AS 05.18.900 adds number 13 - a player means an individual actively participating in a card game and 14, a rake is defined as a set fee or percentage of the total amount

wagered by all the players in the game in the course of that game.

[2:04:29 PM](#)

ROGER GAY, Big Lake resident, didn't like some provisions in the bill. His community has a lot of fun with no buy-ins - playing Texas Hold 'Em and receiving prizes donated by the local businesses. The bigger part of the game is entertainment and he thought the bill targeted tourists.

Further, Mr. Gay said that putting all the money into the State Gaming Fund is unconstitutional under the no dedication of funds provision in the Alaska Constitution.

CHAIR BUNDE replied that the state has a number of dedicated funds, which are not permanent and can be changed by any future legislature. The monies are accounted separately and have legislative intent. He used the duck stamp tax as an example.

MR. GAY said he opposed, "creating a department with its own slush fund to be used as it sees fit." He said that AS 18.110(2)(d) says the department can enter a game room to determine compliance or non-compliance and it doesn't need to have probable cause. He thought there should be a presumption that things are done right, not that things are being done wrong.

[2:08:35 PM](#)

He also thought that the uncompensated Card Room Advisory Board would soon be subject to outside pressures and should, therefore, get compensated. AS 05.18.170, the suspension of license section, used "reasonable time" and he thought the number of days should be specified. He also thought the non-refundable \$25,000 application fee was too much.

What is the state doing that it deserves \$25,000 to go into the State Gaming Fund! The applicant having to pay for the investigation and reinvestigation - if you want to investigate somebody, you do it on your own dime. Otherwise you can investigate and reinvestigate somebody day after day after day presuming that you always have a right to do so and that would just amount to harassment.

Ten thousand dollars a table - right now we're playing for free. If you make somebody pay \$10,000 for a table, who do you think is going to pay for that? It's

the players. The people who are playing out here in the Valley at the moment are merely looking for entertainment. We're not bringing home any cash. If you make somebody pay \$10,000 a table, the rake is going to be bigger and [indisc.] - \$500,000 cash bond? To be at the disposal of this department? Without restriction? Once again, what's the state doing that it deserves to have a \$500,000 cash bond at its disposal without restriction?

MR. GAY asked if tournaments in AS 15.18.230 are only for education groups or any non-profit group. He also didn't see any reason someone couldn't give to the same group year after year. Restricting the Valley to just two operators was not a good idea either, because more operators would benefit more charities.

2:15:19 PM

CHAIR BUNDE said he didn't think this bill would stop games for fun. He recalled that a few years ago some cribbage games were thought to be played for money and stopped because they were illegal and:

What's happening in the Valley now may be beyond what is legal. So, you may want to look into that, but in any case I don't think this bill would affect those games for fun....

MR. GAY said that the bill does not include pinochle and other cards games and asked why the bill doesn't say that card games in general can be played.

RYAN MCKINSTER, staff to Senator Cowdery, sponsor, said this bill is totally separate from those other games. Card rooms are specifically defined in the bill to be a structure in which card games are played under licensees and if one is not a licensee, this bill doesn't address them.

2:17:55 PM

SENATOR SEEKINS asked if he had any legal opinions on the effects this would have on the Gaming Act.

MR. MCKINSTER replied yes and it says this is a Class 2 type of game. It's non-banked, which all these games are and the state already allows Class 2 games.

So, it doesn't affect it. If it goes to a bank version, that's when we would open up Class 3 gaming,

which would be blackjack or games where the house has a stake in the game.

SENATOR SEEKINS said one independent counsel that he talked to had concerns that there is no public comment or notification on an application, nor is there municipal or state comment. He thought this would precipitate a great number of applications for permits and several issues are already pending in court.

[2:20:42 PM](#)

CHAIR BUNDE said the law allows three game rooms in communities with populations up to 60,000, but he wanted to know if Indian land could have as many as it wanted.

MR. MCKINSTER replied this bill would not be restricting games on Indian land. They can currently do this according to the decision the Indian Gaming Commission made on New York's non-bank card games.

CHAIR BUNDE clarified that they can have card rooms, but can't take a rake.

MR. MCKINSTER replied, "True...."

[2:21:47 PM](#)

SENATOR SEEKINS reiterated that there are pending issues in courts that would be wise for the committee to look at. Some legal opinions say if a tribe were to buy some land in downtown Anchorage, it could designate it as Indian land, which would subject it to the Indian Game Act.

CHAIR BUNDE said that as he understands it, any expansion of Indian gaming would be limited to what state law allows.

MR. MCKINSTER replied that Class 2 gaming laws apply to them, too. However:

The issue does arise when you get to Class 3 games, which are casino style games. They don't have to designate anything. They can do everything if Class 3 is opened up, which this bill doesn't address. We're not getting to that level of gaming.

[2:23:17 PM](#)

CHAIR BUNDE asked if language on waivers for rehabilitated felons is boilerplate from other issues like pulltabs.

MR. MCKINSTER replied yes.

[2:24:25 PM](#)

SENATOR DAVIS said the previous speaker had some valid concerns that she thought should be addressed.

CHAIR BUNDE responded that his impression was that the previous speaker didn't want competition with their "fun games."

SENATOR DAVIS replied that she understands that, but he mentioned some valid concerns.

MR. MCKINSTER replied that the previous speaker's issues were not with this bill in general, but he said he would be glad to address specific issues if she could identify those.

It's understandable, if they're doing games for no profit, a license fee of \$10,000 is unreasonable. In this bill we're not addressing those games. We're addressing businesses that are actually going to make a profit off of this. So, we think it's reasonable for a \$10,000 per table fee.

[2:25:45 PM](#)

SENATOR DAVIS said she thought \$10,000 was unreasonable.

MR. MCKINSTER replied that the \$10,000 is a number the sponsor came up with after looking at other fees. Washington has a \$5,000 fee that is graduated depending on the number of tables. It is intended that this system be fully self-funded from program receipts.

CHAIR BUNDE said his concern was that the state doesn't end up subsidizing the cost of regulating card rooms.

[2:26:24 PM](#)

LARRY MEYERS, Department of Revenue, said Brett Fried, the department's economist, could best comment on that issue.

[2:26:57 PM](#)

BRETT FRIED, Economist, Department of Revenue (DOR), reiterated the department's assumptions to come up with the fiscal note. He said they didn't know how many tables there would be in each card room. Assuming 13 card rooms and 15 tables in each, he anticipated \$609,000 in total costs.

SENATOR DAVIS asked if there would be any cost to the state if a card room fails.

MR. FRIED replied that the department could only estimate and came up with \$609,000 to the state that would cover investigations and administration of the program.

SENATOR DAVIS asked who would bear the cost overruns.

MR. FRIED replied the state would.

[2:30:19 PM](#)

CHAIR BUNDE said that one of his concerns was on page 15 that says people could be investigated for any cause.

MR. MCKINSTER replied that is boilerplate language and is the same used with alcohol licensing. Establishments are agreeing to be open for investigation.

[2:31:44 PM](#)

SENATOR COWDERY, sponsor, said he introduced this bill because card games are getting to be more popular and he wanted to see them out in the open.

[2:35:59 PM](#)

DAVID SANDEN, representing himself, said he has extensive experience in legal gambling in Alaska, but not in gaming. He understands the intent of this bill, but he cautioned there are lots of unknowns that will come with it.

It's the next step in gambling in the State of Alaska and you, gentlemen and ma'am, have grave responsibility in making sure this is done, if it is done at all, very slowly and you'd better make sure you know what the consequences are.

MR. SANDEN said the bill is trying to capitalize on gambling as a revenue source for the state and to promote tourism as opposed to a family playing games for fun.

[2:37:31 PM](#)

If there were gaming permits, Juneau would have only one and only people with a lot of money would be eligible to apply. He didn't know how many people have that much money. He thought the \$10,000 was a miniscule fee, but the \$25,000 application fee first, with no guarantees, would be a stretch.

[2:42:06 PM](#)

MR. SANDEN said that gambling is a vice and the fees and bond are expensive. Less than one percent of Juneau residents have that money. Because Juneau could only have one game room, it would be granted a monopoly. In lieu of charging such a large application fee and bond he thought lawmakers should consider making the regulations much more stringent. Once gambling is sanctioned by the state, the punishment for violations must be severe.

[2:43:41 PM](#)

Another concern he had was with the Card Room Advisory Board, which will serve for five years, is appointed by the governor and will not be paid. He asked what kind of people would do that - two people from the clergy or the conservative right who are opposed to vice and two people who are pro-gambling interests? In short, he asked what the criteria are for being on the board.

[2:45:04 PM](#)

SENATOR SEEKINS referenced page 2 of the legal opinion that was given to Representative Kott that had ominous overtones that should be addressed.

It's not safe to assume that there are no other Indian lands in Alaska and also that there is a framework here that would require us upon application from a tribe to enter into a state/tribal compact, which we have not done on any basis in the past that I'm aware of.

He said that he understands there has already been one Indian Gaming Commission license issued to one of the villages in Southeast Alaska, although it has never been activated. He didn't want to put the state in the position of trying to determine if lands purchased by a recognized tribe are tribal lands or not and of being able to deny entering into tribal/state compacts. He said he would request an additional assignment for this bill to go to the Judiciary Committee to give time for those answers.

[2:47:34 PM](#)

SENATOR JOHNNY ELLIS asked what existing referrals the bill has.

CHAIR BUNDE answered, "Finance."

[2:47:59 PM](#)

SENATOR SEEKINS moved CSSB 165(L&C), version L, from committee with individual recommendations. Senators Ellis, Davis, Seekins, Ben Stevens and Chair Bunde voted yea; and CSSB 165(L&C) moved from committee.

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^#HB35

**HB 35-EXTEND BD ARCHITECTS/ENGINEERS/SURVEYORS**

CHAIR CON BUNDE announced HB 35 to be up for consideration.

[2:49:57 PM](#)

CHAIR BUNDE moved to adopt SCS HB 35(L&C), version I, that inserts landscape architects, which was omitted previously. A conforming title amendment would be needed. He then objected to discuss the change with the bill's sponsor.

REPRESENTATIVE VIC KOHRING, sponsor, explained that HB 35 extends the sunset date of the Board of Registration of Architects, Engineers, Land Surveyors by four years until 2009. He said that SCS is acceptable to him. The Legislative Audit Division concluded that the board is successfully carrying out its mission and is operating in the best public interest and recommended that it be allowed to continue.

[2:51:42 PM](#)

PAT DAVIDSON, Legislative Auditor, said she recommended an extension of the board to 2009. She also had a recommendation to the board regarding the continuing evolution of the engineering profession. Alaska currently recognizes core disciplines of civil, chemical, electrical, mechanical and mining and petroleum. Other states have recognized sub-disciplines in the engineering profession and she suggested conducting a comprehensive study, in conjunction with the University of Alaska or the State Society, regarding public benefits and the related costs associated with recognizing additional engineering specialties in Alaska's licensing structure. The report recommended that the legislature consider making the landscape architect a full voting member of the board.

CHAIR BUNDE said that is what the SCS does.

[2:53:38 PM](#)

SAM KITO III, Alaska Professional Design Council, supported HB 35. He didn't think the landscape architect needs a full seat. He explained that the SCS temporarily extends a temporary non-voting member for an additional four years. The purpose for that

in his organization's mind is to allow time to work with the board to identify the boundaries for the practice of landscape architecture.

[2:55:42 PM](#)

CHAIR BUNDE corrected himself saying that the SCS says the landscape architect is a non-voting member.

[2:56:02 PM](#)

KENNETH MAYNARD, Chair, Architects, Engineers and Land Surveyors Board (AELS), supported SCS HB 35(L&C). The board would accept the temporary non-voting landscape architect position.

[2:57:12 PM](#)

SHAWN FLORIO, Alaska Public Design Council (APDC), supported SCS HB 35.

[2:57:38 PM](#)

SENATOR SEEKINS moved to pass SCS HB 35(L&C) from committee with individual recommendations. Senators Davis, Seekins, Ben Stevens and Chair Bunde voted yea; and SCS HB 35(L&C) moved from committee.

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^#SJR15

**SJR 15-BAN LAWSUITS AGAINST FIREARMS INDUSTRY**

CHAIR CON BUNDE announced SJR 15 to be up for consideration.

RYAN MOORE, staff to Senator Huggins, sponsor, said the resolution addresses the abuse of the nation's courts through predatory lawsuits against the U.S. by asking Congress to stop prosecution of this industry for misbehavior by criminals over which they have no control. Alaska is one of 33 other states that have passed legislation protecting firearms and ammunition manufacturers and this resolution will advocate for the current legislation in the U.S. Congress, SB 397 and HR 800. Those cases are often unsuccessful and their costs threaten an important industry in America. In addition, these lawsuits do nothing to curb criminal gun violence.

CHAIR BUNDE asked if he knew the status of that federal legislation.

MR. MOORE replied that the two bills he mentioned haven't moved since they were first read.

[3:00:38 PM](#)

SENATOR SEEKINS moved SJR 15 from committee with individual recommendations and attached fiscal notes. Senators Davis, Ben Stevens, Seekins and Chair Bunde voted yea; and SJR 15 moved from committee.

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^#SCR10

**SCR 10-SUSPEND UNIFORM RULES FOR HB 35**

CHAIR BUNDE noticed that a title change amendment went with SCS HB 35.

SENATOR RALPH SEEKINS moved and asked unanimous consent to pass SCR 10, A, Bannister, 4/21/05, from committee. There were no objections and it was so ordered. There being no further business to come before the committee, Chair Bunde adjourned the meeting at [3:03:10 PM](#).

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