

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

February 6, 2007

1:30 p.m.

**MEMBERS PRESENT**

Senator Johnny Ellis, Chair  
Senator Gary Stevens  
Senator Bettye Davis  
Senator Lyman Hoffman  
Senator Con Bunde

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

SENATE BILL NO. 59

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

HEARD AND HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 59

SHORT TITLE: BROADCASTING PROMOTING CHARITABLE GAMING

SPONSOR(S): SENATOR(S) STEVENS

01/19/07	(S)	READ THE FIRST TIME - REFERRALS
01/19/07	(S)	L&C

**WITNESS REGISTER**

SCOTT SMITH, President  
Alaska Broadcasters Association  
Anchorage AK

**POSITION STATEMENT:** Supported SB 59.

DENNIS EGAN, President and General Manager  
Alaska Juneau Communications  
Juneau AK

**POSITION STATEMENT:** Supported SB 59.

**ACTION NARRATIVE**

**CHAIR JOHNNY ELLIS** called the Senate Labor and Commerce Standing Committee meeting to order at [1:30:59 PM](#). Present at the call to order were Senators Davis, Bunde, Stevens and Ellis.

**SB 59-BROADCASTING PROMOTING CHARITABLE GAMING**

CHAIR JOHNNY ELLIS announced SB 59 to be up for consideration.

SENATOR GARY STEVENS, sponsor of SB 59, presented the sponsor statement. Currently Alaska statute prohibits broadcasters from airing advertisements of charitable gaming activity. Statutes ban only radio and TV advertising, but newspapers can conduct this activity. For example, local church and Boy Scout raffles cannot be promoted by local radio and TV stations. Even various statewide fundraisers, like the Iditarod, may not be promoted by broadcasters and this reduces the ability of organizations to fund raise. He said SB 59 is endorsed by the Alaska Broadcaster's Association.

[1:32:56 PM](#)

SENATOR HOFFMAN joined the committee.

SCOTT SMITH, President, Alaska Broadcasters Association, said he is also General Manager of Morris Communications in Anchorage and an owner of Kodiak Island Broadcasting; he supported SB 59. He said these elements are not regarded as a large influx of cash; it's rather about the issue of having a level playing field for advertising charitable gaming events. He added that the current law actually impedes positive governmental interests by prohibiting Alaska's broadcasters from assisting nonprofit organizations in their efforts to raise money to reach their goals.

CHAIR ELLIS asked if there had been any legal challenges in reference to equal protections issues.

MR. SMITH replied no. However, there are those who want to pursue a legal course.

DENNIS EGAN, President and General Manager, Alaska Juneau Communications, said he is also a board member of the Alaska Broadcasters Association, and supported SB 59. He said current Alaska statute treats broadcasters unfairly by banning - only from radio and TV - the advertising of lawful charitable gaming or conduct. Newspapers and related media are free to advertise this very same activity.

MR. EGAN said that recognizing the unfair burden placed upon broadcasters nationwide, Congress passed a charity games advertising clarification act in 1988 that became effective in 1990 and opened the door for broadcasters to advertise for a charity, but not to conduct charitable gaming. The new federal law left it up to individual states to ratify it or not. To this date, nearly every state has allowed its broadcasters to become consistent with the federal law. Not one problem has been encountered.

He pointed out that under the Charitable Games Advertising Act, federal law prohibits the acceptance of any advertising from a business whose primary purpose is conducting gaming activity, charitable or otherwise. He feels that being allowed to announce that the local volunteer fire department is having a raffle to raise funds for CPR equipment or that the Senior Center is selling tickets for the Caravan is not detrimental to anyone. He said:

Alaska broadcasters are not trying to suggest to you what activities should be permissible in the state of Alaska. What we are asking is that all media including print, electronic, direct mail, even the signs we see on municipal buses, have the same ground rules when it comes to promotion.... As a federal licensee, broadcasters are one of the most highly regulated industries in the United States....

1:40:41 PM

SENATOR BUNDE said he believed in equity in advertising, but he noted that the things Mr. Egan listed were more like public service announcements (PSAs) and he asked if he meant to include groups other than those as well.

MR. EGAN replied yes. He said the PSAs are aired free by broadcasters and the print media. If print was giving away a public service announcement or display advertisement talking about a raffle, they would be able to run that at no charge, but broadcasters aren't allowed to run that even free of charge. "It's not a free of charge-charging issue." They are prohibited by law.

1:42:41 PM

CHAIR ELLIS asked what other states do.

MR. EGAN replied only three states haven't ratified the federal act.

[1:44:02 PM](#)

SENATOR BUNDE asked who proposed this measure and who opposes it. He also asked for the reasons this was disallowed in the first place.

SENATOR STEVENS replied that the Alaska Broadcasters Association asked him - last year, actually - to sponsor the bill. It didn't make it through the process last year, but it had no strong opposition.

CHAIR ELLIS said his committee had not heard of any opposition. He noted that he would take further testimony on SB 59 in the next meeting. There being no further business to come before the committee, he adjourned the meeting at [1:45:53 PM](#).