

H B

659

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date 2/21/84

REQUEST

Bill/Resolution No: HB 659
 Title: An act authorizing certain municipalities to conduct limited historic gambling enterprises; and providing for an effective date.
 Sponsor: McBride
 Requestor: House State Affairs Committee
 Date of Request: 2/17/84

FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: Revenue Collection & Management
 BRU, Program or Subprogram(s) Affected: Public Services Division BRU

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 SUPPLIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -

POSITIONS:

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: No impact.

Prepared By: Martin J. Richard
 Division: Public Services Division

Phone: 465-2392

Date: 2/22/84

Approved by Commissioner: [Signature]
 Agency: Revenue

Date: 2/22/84

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

A

CITY OF SKAGWAY

GATEWAY TO THE GOLD RUSH OF '98"

P. O. BOX 415 SKAGWAY, ALASKA 99840

A PROPOSAL
FOR
A LIMITED FORM OF GAMBLING
IN
SKAGWAY, ALASKA
(REVISED)

BY THE SKAGWAY CONVENTION AND VISITORS BUREAU

170-25

TABLE OF CONTENTS:

I. THE L. OF '98.....PAGE 1

II. WHAT ABOUT DAWSON'S GAMBLING.....PAGE 3

III. SOUNDS GOOD - BUT AREN'T THERE
PROBLEMS ASSOCIATED WITH GAMBLING?.....PAGE 5

IV. SKAGWAY TODAY.....PAGE 6

V. WHAT COULD LIMITED GAMBLING LOOK
LIKE IN SKAGWAY?.....PAGE 8

VI. SPECIFIC RECOMMENDATIONS.....PAGE 10

THE DAYS OF '98

"Life itself was a gamble. Settlers crossing the plains faced death from indians, starvation, thirst, and cholera, as well as each other. Everyday chores - prospecting, mining, ...hunting - were likely to injure or accidentally kill a person. Violent changes of fortune, for better or for worse, were part of the...experience."

Richard Erdoes - Saloons of
the Old West

SUBSTITUTE THE PASSES FOR THE PLAINS, AVALANCHES FOR INDIANS, FREEZING BLIZZARDS FOR THIRST, SPINAL MENINGITIS FOR CHOLERA, AND YOU HAVE SKAGWAY AND THE KLONDIKE IN 1898.

THE THRILL OF FORTUNES WON AND LOST WAS JUST AS GREAT ON BROADWAY, IN SKAGWAY, AS IT WAS ON ELDORADO CREEK IN THE YUKON. THIS DISCOVERY OF A NEW, ROUGH AND READY FRONTIER, LONG AFTER THE WESTERN FRONTIER HAD FADED INTO SETTLED TRANQUILITY, LURED THOUSANDS OF PEOPLE NORTHWARD IN THE "LAST GREAT ADVENTURE".

THE EVER-PRESENT SHELL GAME, FARO, POKER, DICE, AND THREE CARD MONTE WERE DIVERSIONS FROM THE GREATER GAMBLE OF LIVES AND FORTUNES IN THE BLOWING SNOWS OF THE PASSES AND THE FROZEN MUCK OF THE GOLD FIELDS. THE SALOONS AND GAMING PARLORS OF SKAGWAY WERE AN EQUAL PART OF AN IMAGE THAT WAS BEING REKINDLED THROUGHOUT THE WORLD. IT WAS THE IMAGE OF A FALSE FRONTED TOWN ON THE EDGE OF THE WILDERNESS WHERE MEN LIVED BY THEIR WITS. IT WAS AN IMAGE ROMANTICIZED BY ROBERT SERVICE AND JACK LONDON, WHERE ONLY THE FIT SURVIVED. IT WAS A CHANCE FOR MEN TO PIT THEMSELVES AGAINST THE WORST AND TOUGHEST THAT MANKIND AND NATURE COULD MUSTER, AND SEE WHO WON. IT WAS THE IMAGE THAT HAD DRAWN CIVILIZATIONS ACROSS UNCHARTED OCEANS, THROUGH HOSTILE

FORESTS, OVER SCORCHED DESERTS, AND FINALLY, IN THIS LAST GREAT
GOLD RUSH, TO THE FROZEN NORTH. IT WAS THE KLONDIKE.

WHAT ABOUT DAWSON'S GAMBLING?

WITH THE DISCOVERY OF GOLD ON THE BEACHES OF NOME IN 1899, DAWSON SOON BECAME A VIRTUAL GHOST TOWN. OVER THE YEARS THE ABANDONED BUILDINGS FELL INTO DISREPAIR. DAWSON, AT THE SAME TIME BEGAN TO REALIZE IT'S HISTORICAL POTENTIAL AS A TOURIST ATTRACTION. DAWSON ALSO DISCOVERED THAT THE DETERIORATION OF THE BUILDINGS AND THEIR REMOTE LOCATION WERE MAJOR HANDICAPS TO THE DEVELOPMENT OF A VIABLE TOURISM INDUSTRY.

IN ORDER TO AID IN THE RESOLUTION OF BOTH OF THESE CONCERNS, IN 1971 THE CANADIAN FEDERAL GOVERNMENT PASSED A WAIVER TO EXISTING LEGISLATION THAT ALLOWED THE KLONDIKE VISITORS ASSOCIATION TO RUN A GAMBLING OPERATION IN A CENTRAL LOCATION - DIAMOND TOOTH GERTIE'S. THE PROCEEDS FROM THIS OPERATION WERE TO GO TO THE ENHANCEMENT OF DAWSON'S TOURISM INDUSTRY.

DIAMOND TOOTH GERTIE'S IS THE ONLY ESTABLISHMENT IN CANADA THAT HAS GAMBLING, LIQUOR, AND ENTERTAINMENT UNDER ONE ROOF, AND HAS BECOME THE MAINSTAY OF THE DAWSON ECONOMY. HOWEVER, GERTIE'S WAS NOT WITHOUT PROBLEMS IN HER FIRST YEAR. INEXPERIENCE IN RUNNING A GAMING OPERATION, ON THE PART OF THE K.V.A., AND A LOSS OF BUSINESS TO LOCAL BARS AS PATRONS FLOCKED TO THE CASINO RESULTED IN A NET LOSS FOR SEVERAL BUSINESSES, INCLUDING THE K.V.A..

AFTER THE FIRST YEAR, THE R.C.M.P. SELECTED A PROFESSIONAL PIT BOSS TO MANAGE THE OPERATION AND THE K.V.A. ESTABLISHED A VOLUNTEER GAMBLING SQUAD TO OVERSEE GAMING AND TO REPORT ON ITS PROBLEMS AND BENEFITS. THE RESULT WAS A SMOOTHER, PROFITABLE OPERATION FOR ALL OF DAWSON.

GAMES PLAYED AT GERTIE'S ARE BLACK JACK, CROWN AND ANCHOR, ROULETTE, AND POKER. THE MAXIMUM BET IS \$5. THE K.V.A. EMPLOYS 45 PEOPLE TO RUN THE OPERATION WITH EMPHASIS PLACED ON MAINTAINING AN ATMOSPHERE OF FUN AS WELL AS PROFESSIONALISM. IN 1982 THE NET PROFITS TO THE K.V.A. WERE \$25,000.

FUTURE PLANS ARE TO EXPAND GERTIE'S TO ACCOMMODATE MORE VISITORS, AND TO RAISE THE BET LIMIT TO COVER INCREASED COSTS.

SOUNDS GOOD - BUT AREN'T THERE PROBLEMS ASSOCIATED WITH GAMBLING?

WHENEVER ONE MENTIONS GAMBLING, SEVERAL POTENTIAL SOCIAL PROBLEMS COME TO MIND. GIOVANNI CASTELLARIN OF DAWSON'S K.V.A. WAS QUESTIONED ABOUT THESE PROBLEMS. HIS RESPONSES ARE AS FOLLOWS:

GIOVANNI CASTELLARIN, PRESIDENT OF THE KLONDIKE VISITORS ASSOCIATION SAID THAT THERE HAVE BEEN A FEW PEOPLE WHO HAVE BECOME ADDICTED TO GAMBLING BUT THAT WELFARE PROVIDES A FACILITY FOR TREATMENT. CASTELLARIN FELT IT WAS A SMALL PROBLEM AND THAT IN A SMALL COMMUNITY THE SIZE OF DAWSON (400-500 PEOPLE), IT CAN BE PREVENTED BECAUSE PEOPLE KNOW EACH OTHER AND KNOW WHO IS HAVING A PROBLEM. REFUSING TO ACCEPT CHECKS OR GIVE PEOPLE CREDIT IS ONE OF THE WAYS OF KEEPING PEOPLE WITH A PROBLEM FROM SPENDING ALL OF THEIR MONEY. OVERALL, ONLY A VERY SMALL NUMBER OF LOCALS GAMBLE AT ALL; EVERYONE IS SO BUSY DURING THE BRIEF SUMMER SEASON. (GERTIE'S IS ONLY OPEN DURING THE SUMMER) CASTELLARIN SAID THAT MOST EVERYONE FEELS THAT THE POSITIVE EFFECT ON THE COMMUNITY IS 100 TIMES GREATER THAN THE NEGATIVE EFFECT. EVEN THE LOCAL PRIEST APPROVES OF GAMBLING, "IF IT IS CONTROLLED AND DONE RIGHT."

CASTELLARIN ALSO SAID, "WE DO NOT KNOW WHAT CRIME MEANS IN DAWSON."

SKAGWAY TODAY

ON THE AFTERNOON OF JANUARY 14, 1983, ECONOMIC DISASTER STRUCK SKAGWAY. ON THAT DATE THE WHITE PASS CORPORATION ANNOUNCED THAT THE WP&YR NARROW GAUGE "SCENIC RAILWAY OF THE WORLD" WOULD CEASE TO OPERATE UNTIL THE MINES IN THE YUKON REOPENED. THE EARLIEST THAT WHITE PASS COULD SPECULATE ON THE REOPENING OF THE RAILROAD WOULD BE THE SECOND QUARTER OF 1984. THE LOSS OF THE RAILROAD MEANT THE DEMISE OF SKAGWAY'S PRIMARY INDUSTRY. THIS LEFT THE TOWN TOTALLY DEPENDENT UPON ITS SECOND INDUSTRY, TOURISM, FOR AT LEAST THE NEAR FUTURE. THE SITUATION IS NOT DISSIMILAR TO THAT OF DAWSON.

WHAT IS DIFFERENT IS THE ADVANTAGE THAT SKAGWAY ALREADY HAS AS A WELL KNOWN POPULAR TOURIST DESTINATION. THE KLONDIKE GOLD RUSH NATIONAL HISTORICAL PARK, THE CHILKOOT TRAIL, BROADWAY, SOAPY SMITH, A.B. HALL, THE GOLDEN NORTH HOTEL, THE PACK TRAIN, THE RED ONION SALOON, AND ALL THE OTHER AUTHENTIC ATTRACTIONS THAT SKAGWAY OFFERS CONJURE UP THAT GOLD RUSH IMAGE OF THE ADVENTURE OF 1898. SKAGWAY OFFERS A GOLD RUSH EXPERIENCE UNEQUALLED ANYWHERE IN THE KLONDIKE REGION

TO ENHANCE THAT WELL KNOWN IMAGE, WHILE AT THE SAME TIME REAPING THE BENEFITS OF INCREASED VISITATION, INCREASED EMPLOYMENT, AND INCREASED REVENUES EXPERIENCED IN DAWSON, SKAGWAY NEEDS TO CONSIDER A LEGALIZED LIMITED FORM OF GAMBLING SCENARIO THAT WOULD INCORPORATE THE BEST ASPECTS OF THE DAWSON PROGRAM AND ACCOMMODATE LOCAL CONCERNS. WITH

STRICT HISTORIC GUIDELINES AND CITY OF SKAGWAY CONTROL, THE TOURISM INDUSTRY IN SKAGWAY CAN BE MAINTAINED AND EXPANDED TO GUARANTEE A STABLE SECOND INDUSTRY TO SEE THE CITY THROUGH CURRENT AND FUTURE ECONOMIC DIFFICULTY. A LIMITED FORM OF LEGALIZED GAMBLING WOULD ADD TO SKAGWAY'S PRE-EMINENCE AS THE KLONDIKE GOLD RUSH ATTRACTION OF ALASKA.

WHAT COULD LIMITED GAMBLING LOOK LIKE IN SKAGWAY?

OF THE UPMOST CONCERN TO THE CITY OF SKAGWAY IS THAT ANY GAMBLING IN SKAGWAY BE CONTROLLED BY THE CITY GOVERNMENT. THE CITY COUNCIL WOULD ESTABLISH REQUIREMENTS FOR THE OPERATION OF GAMING TABLES, THE TYPES OF GAMES ALLOWED, THE LIMITS PLACED UPON BETS, AND THE HISTORIC CRITERIA. PROCEEDS FROM GAMBLING WOULD GO TO THE CITY, WITH 50% OF THOSE PROCEEDS TO BE USED FOR HISTORIC PRESERVATION.

ANOTHER MAJOR CONCERN IS THAT ANY GAMBLING OPERATION MAINTAIN AN HISTORIC CHARACTER. THE INTENT IS TO RECREATE THE ADVENTURESOME ATMOSPHERE OF 1898, NOT TO CREATE THE GLITTER AND STYLE OF A MODERN DAY LAS VEGAS. MAINTAINING THE HISTORIC FLAVOR OF SKAGWAY, AND THE APPEAL OF HAVING FUN, IS IMPERATIVE FOR THE COMMUNITY AS WELL AS THE TOURISM INDUSTRY.

A FINAL CONCERN IS THAT GAMBLING IN SKAGWAY NOT BECOME THE MAJOR ATTRACTION FOR THE COMMUNITY, BUT SIMPLY ANOTHER ASPECT OF OUR HISTORIC ATMOSPHERE. WE DO NOT WANT TO BE VIEWED AS THE TOWN IN ALASKA WITH GAMBLING BUT AS THE GOLD RUSH ATTRACTION OF ALASKA THAT INCLUDES GAMBLING. THIS IS THE DIRECTION OF OUR TOURISM DEVELOPMENT AND BETTER MEETS THE CONCERNS OF THE COMMUNITY OF SKAGWAY.

WITH THESE CONCERNS IN MIND, THE CITY OF SKAGWAY WOULD OPERATE A SINGLE CASINO IN THE ARCTIC BROTHERHOOD HALL. THERE WOULD BE A LIMITED FLOOR SHOW TO ENHANCE THE HISTORIC FLAVOR, BUT NO LIQUOR LICENSE WOULD BE SOUGHT. THE AMOUNT OF BETS WOULD INITIALLY BE LIMITED TO \$5.00 TO MAINTAIN THE SOCIAL, ENTERTAINMENT GAMBLING ATMOSPHERE.

THE AB HALL WOULD ACCOMMODATE ABOUT 84 PEOPLE AT ANY GIVEN TIME. THIS IS A VERY SMALL PORTION OF THE VISITOR POPULATION ON MOST DAYS DURING THE SUMMER SEASON. THE REMAINING VISITORS WOULD BE ENJOYING THE OTHER HISTORIC ATTRACTIONS OF THE COMMUNITY.

INFORMATION PROVIDED BY THE PUBLIC GAMING RESEARCH INSTITUTE INDICATES THAT SUCH AN OPERATION WOULD EMPLOY 34 PERSONS PER 8 HOUR SHIFT WITH POTENTIAL GROSS REVENUES OF \$5,880 PER SHIFT. POTENTIAL NET REVENUE TO THE CITY COULD BE IN THE AREA OF \$200,000 FOR THE SEASON.

THIS LIMITED FORM OF GAMBLING WOULD ENHANCE OUR HISTORIC IMAGE WHILE MAINTAINING A STABLE SUPPORT INDUSTRY. IT WOULD PROVIDE VISITORS WITH THE OPPORTUNITY TO ENJOY A FUN AND EXCITING GLIMPSE OF LIFE IN THE "DAYS OF '98". WITH THESE LIMITATIONS AND CRITERIA, GAMBLING IN SKAGWAY COULD BE CONDUCTED WITH THE LEAST SOCIAL COST AND THE GREATEST ECONOMIC BENEFIT.

SPECIFIC RECOMMENDATIONS

- . RECOMMENDATION - THAT THE CITY OF SKAGWAY CONTRACT WITH THE PUBLIC GAMING RESEARCH INSTITUTE TO ANALYZE OUR PROPOSAL IN TERMS OF SOCIAL IMPACTS, OPERATIONAL PROBLEMS, AND POTENTIAL REVENUES.

- . RECOMMENDATION - ANY OR ALL GAMBLING ESTABLISHMENTS BE LICENSED AND OPERATED BY THE CITY.
 - CRITERIA FOR THE NUMBER AND LOCATION OF GAMES, TYPES OF GAMES, HOURS, LIMITS OF BETS AND PROMOTION SHOULD BE SET BY THE CITY COUNCIL.
 - PROCEEDS FROM THE GAMBLING GO DIRECTLY AND EXCLUSIVELY TO THE CITY OF SKAGWAY, WITH 50% OF THOSE FUNDS GOING TO HISTORIC PRESERVATION.
 - THAT A LOCAL GAMING COMMISSION BE ESTABLISHED TO MONITOR THE GAMING OPERATION.

- . RECOMMENDATION - THAT A LIMITED NUMBER OF HISTORIC GAMES BE ALLOWED.

- . RECOMMENDATION - THAT THE ALASKA STATE DEPARTMENT OF REVENUE REVIEW SKAGWAY'S OPERATION ON AN ANNUAL BASIS AND REPORT THOSE FINDINGS TO THE STATE LEGISLATURE.

- . RECOMMENDATION - THAT GAMBLING ONLY BE CONDUCTED DURING THE SUMMER, WITH POSSIBLE LIMITED WINTER OPERATION.

- . RECOMMENDATION - THAT THE CITY COUNCIL HOLD A PUBLIC HEARING ON THIS PROPOSAL.

- . RECOMMENDATION - THAT THE PROPOSED LEGISLATION NOT EFFECT THE

STATUS OF ANY CURRENT LIQUOR LICENSE.

- . RECOMMENDATION - THAT THE CITY OF SKAGWAY WRITE TO THE REGIONAL DIRECTOR OF THE NATIONAL PARK SERVICE REQUESTING AN OPINION ON THE LEGALITY OF GAMBLING WITHIN THE PARK.



ALASKA VISITORS ASSOCIATION

P.O. BOX 10-2220
ANCHORAGE, AK 99510
(907) 276-6663

Telex:
Within Alaska 25-147
Lower U.S. 090-25-147
Canada 0305-25-147
International 314-25-147

3

1983-84 EXECUTIVE OFFICERS

President
ROBERT H. BRENNAN
P-Incess Tours
Seattle, Washington
Vice President/
Administration
RAL WEST-HARDWICK
Alaska West Associates
Anchorage, Alaska
Vice-President/
Government Relations
CHRIS VON IMHOF
Alaska Resort
Girdwood, Alaska
Vice-President/
Marketing
DEAN WEIDNER
Tra/Alaska Tours
Seattle, Washington
Secretary
DENNIS BRANDON
Shellfield Enterprises
Anchorage, Alaska
Treasurer
A. K. "KIRK" LANTERMAN
Westours, Inc.
Seattle, Washington
Executive Director
DALE FOX

A RESOLUTION IN SUPPORT OF LIMITED HISTORIC GAMBLING IN ALASKA

Whereas, Alaska's Gold Rush History is an attractive and integral part of our tourism appeal; and,

Whereas, the colorful gambling halls and characters of the gold rush era continue to provide a spirited reminder of Alaska's history; and,

Whereas, the recreation of historic gambling in Alaska would enhance Alaska's tourism industry;

Be it therefore resolved that the Alaska Visitors Association supports legislation that would allow local option for municipally-controlled limited historic gambling in communities with a substantial history of gambling during Alaska's gold rush.

PAST PRESIDENTS
GEORGE SUNDBORG
1950
ROBERT E. ELLIS
1951-1952
EDWARD D. COFFEY
1952-1955
MARSHALL CRUTCHER
1955-1956
BEN CRAWFORD
1956-1957
EVERETT PATTON
1957-1959
ROBERT A. BAKER
1959-1960
ROBERT E. ELLIS
1960-1962
ROBERT GIERSDORF
1962-1963
E.E. SWOFFORD
1963-1964
H. JACK MUSIEL
1964-1966
JAMES JOHNSON
1966-1967
FRANK DOWNEY
1967-1968
BILL SHEFFIELD
1968-1969
JOHN MONROE
1969-1970
RONALD LATIMORE
1970-1971
JOHN STEVENS
1971-1972
LEN LAURANCE
1972-1973
E. AL PARRISH
1973-1974
A.E. "BUD" HAGBERG
1974-1975
CHUCK WEST
1975-1977
CHARLES CONWAY
1977-1978
JIM BINKLEY
1978-1979
MARTHA EDWARDS
1979-1980
ROLF KLUG
1980-1981
DAVE PALMER
1981-1982
CHRIS VON IMHOF
1982-1983

Passed by AVA Membership, October 6, 1983, Valdez, Alaska

HT, 25

S.E. Conference Policy Statement

C

structure to develop, promote, and produce Alaska timber products.

The Southeast Conference strongly supports the provision of P.L. 96-487 which will assure an adequate timber supply to provide employment and enable the continued development of transportation systems, corridors, and recreational access to the Tongass National Forest in Alaska.

The Southeast Conference requests the Governor and the Legislature approve funding for an Alaska state forest management plan in all State-approved forests.

MINING

The Southeast Conference supports the prompt, expeditious handling of all permits and work-plan approvals by State and Federal agencies necessary for development of mining projects, including reasonable access; and requests that these agencies offer active technical assistance in obtaining such approval.

The Southeast Conference strongly supports the granting of requests for minor boundary adjustments for mineral production to assure maximum utilization of this natural resource.

WATER, SEWER, AND SOLID WASTE GRANTS

The Southeast Conference continues to support the increase in water, sewer, and solid waste grants and to provide adequate funding for the program.

The conference supports the granting of waivers by EPA from secondary sewage treatment for small communities located along the ocean, as well as waivers requested by Southeast pulp mills.

TOURISM

The Southeast Conference supports the Southeast Alaska Tourism Council (S.A.T.C.) and their goals in establishing and marketing Southeast Alaska as a regional travel destination. The Conference urges the continued and expanded cooperation among communities in furthering the goals of S.A.T.C.

The Southeast Conference feels the present level of funding provided to the Division of Tourism is insufficient to properly promote the State of Alaska as a whole. The Conference requests the State appropriate additional funding for the Division which is more commensurate with the level of marketing required.

The Conference recognizes the value of local development of attractions and visitor facilities and advocates the expansion of the State of Alaska, Division of Tourism's local community

matching grant program by increasing the present \$2,000 funding limit to a minimum of \$5,000.

The Southeast Conference requests that the Legislature enact legislation to allow a limited form of historic gambling to local governments that have had a history of gambling in their communities during the Klondike and Alaska Gold Rush era.

The Conference supports the traditional use of Glacier Bay as a cruise ship destination and encourages the National Park Service to recognize the importance of this to the Southeast communities by adopting regulations allowing such use.

The Southeast Conference further urges the Legislature to provide additional funding to the Division of Tourism; Department of Transportation and Public Facilities; the Division of Parks; and other appropriate agencies to develop facilities and services with demonstrated visitor value (i.e., information centers, parks, marine facilities, and cruise ship berthing areas).

PUBLIC SAFETY

The Southeast Conference endorses the establishment of a treatment-detention center serving Southeast Alaska juveniles facing drug- and alcohol-related problems. It requests an appropriation of State funds to implement this program. The Conference urges the State law enforcement agencies and court system to step up its efforts in enforcing drug laws, with mandatory penalties implemented for convicted violators. It encourages municipalities in Southeast Alaska to support funding positions of family counseling on drugs and alcohol programs as a support for the existing juvenile probation system. The Conference also urges the Department of Education to formulate a drug and alcohol abuse curriculum for Alaska schools.

STATE LAND DISPOSALS

The Southeast Conference believes that all State land disposals within the corporate boundaries of a city or borough should comply with all local planning and development ordinances.

The Southeast Conference requests the State of Alaska to take immediate steps to assure the transfer of lands granted under the Native Lands Entitlement Act of 1906 to the Native applicants. These allotments have been pending for as many as sixty years without approval from the U.S. Department of Interior. Further, the Conference requests that legislation be adopted granting the authority to the Commissioner of the Department of Natural Resources to quitclaim land to the Federal Government for transfer back to Native allotment holders.

LAW OFFICES

BROWN, MICHAEL & FROELICH

14 SOUTH CALIFORNIA AVENUE
ATLANTIC CITY, NEW JERSEY 08401
609 314-6445

SUITE 1700
GATEWAY I
NEWARK, NEW JERSEY 07102
201 623-7441

SUITE 1500
FIRST NATIONAL BANK TOWER
2 PEACHTREE STREET
ATLANTA, GEORGIA 30383
404 659-7105

REPLY TO Atlantic City Office

April 20, 1983

Mr. Robert W. Ward, Jr., Director
Skagway Convention & Visitors Bureau
City of Skagway
7th & Spring Streets
P. O. Box 415
Skagway, AK 99840

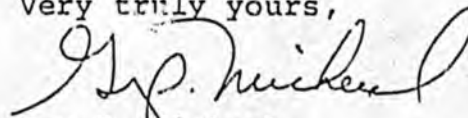
Re: Casino Gambling

Dear Mr. Ward:

Enclosed please find an analysis of the casino proposal prepared by the Skagway Convention and Visitors Bureau, with particular emphasis on the seven questions you posed. This analysis was performed by this firm in conjunction with Duane Burke and the Public Gaming Research Institute.

We and Mr. Burke stand ready to provide any further assistance you may need in this connection or respond to any further inquiries you may have. Thank you.

Very truly yours,



Guy S. Michael

GSM/cp

Enclosures

cc: Mr. Duane Burke

HB 6

1. What would our personnel requirements be to accommodate 300 gamblers, dispersed among the six sites, at the hours listed on the fact sheet?

It is assumed that the purpose of this inquiry is to determine necessary staffing levels for casino games as they might be necessary in a casino proposal for Skagway. In particular, in connection with staffing levels, it is assumed issues of cost and recruitment are critical. In this connection, there is an assumption implicit in the phrasing of the question which might be misleading and might not best be the way to approach the matter. This assumption is that staffing levels should be geared to any specifically anticipated number of gamblers. Although patron size is a factor, staffing levels are best developed by ratio to the number of games offered. It is the determination of the number of games to offer which is contingent on the estimate of anticipated patron demand.

Given this method of personnel calculation, the following is offered as a sound beginning point from which to estimate potential staffing needs.

Any blackjack table would require, at all times while in operation, one dealer. In addition, at the first level of supervision, there must be one floor person for, at least, every four blackjack tables. That first level supervisor should be required to oversee no more than that number. The

second level supervisor, or pit boss, may be assigned the handling of no more than 12 blackjack tables.

These ratios are based on staffing levels utilized in casino operations of some size. Given the dimensions of the operations proposed on your Fact Sheet, those ratios can be slightly modified. In particular, the tables proposed for the Red Onion Saloon, Moe's Frontier Bar, and the Golden North Hotel could be efficiently staffed with one dealer per table and one supervisor overseeing those two dealers. This assumes, in addition, that there would be overall management, such as a casino manager, to whom the blackjack supervisor would report. In the case of the Golden North Hotel, the single supervisor could handle all four tables.

With respect to the Klondike Hotel, its six tables would probably require, in the ideal, a single dealer at each table, two first level supervisors for each set of three tables and one overall supervisor. Application of similar ratios to the Eagle Hall would require a dealer at each table, three first level supervisors, and one second level supervisor. Finally, at A.B. Hall, there would need to be employed one dealer for each table, three first level supervisors and one second level supervisor.

To reiterate, the levels of supervision and the staffing noted here are required to be in place during all operational periods. Obviously, no single dealer can man a table for the entire proposed gaming day. Dealers typically are on the floor for forty minutes out of each hour. Accordingly, the facilities with two tables would require staffing for thirty-six man/hours of dealer time, or, approximately five dealers working 8-hour shifts per day, or, 252 man-hours per seven day week. A similar formula can be applied to the proposed table configurations at the other facilities. This means 504 man-hours per 7 day week at the Golden North Hotel; 756 man-hours at the Klondike Hotel; 1,260 man-hours at the Eagle's Hall; and, with 12 tables for 8-hour days at the A.B. Hall, 1,008 man-hours.

These calculations and estimates have been done on the basis of utilization of the game of blackjack. Obviously, as different games are utilized, the personnel requirements would change. Blackjack has been used here since that is the game you have proposed on your fact sheet. As different games are proposed, we will be happy to supply you with personnel estimates for each

In addition, for your review and analysis, we attach a typical staffing chart outline for dealers and supervision in the games of Craps, Roulette, Baccarat and Big Six Wheel as well as Blackjack.

RELIEF FACTORS

<u>PIT BOSSES</u>		<u>RELIEF FACTOR</u>
BJ	1 PIT BOSS/12 TABLES	1.25
CRAPS	1 PIT BOSS/8 TABLES	1.25
RO	1 PIT BOSS/12 TABLES	1.25
BAC	1 PIT BOSS/12 TABLES	1.25
BIG SIX	1 PIT BOSS/12 TABLES	1.25
<u>FLOORPERSONS</u>		
BJ	1 FLOOR/4 TABLES	1.25
*CRAPS	1 FLOOR/2 TABLES	1.25
RO	1 FLOOR/4 TABLES	1.25
BAC	1 FLOOR/1 TABLE	1.25
BIG SIX	1 FLOOR/4 TABLES	1.25
<u>BOXPERSONS</u>		
*CRAPS	1 BOX/1 TABLE	1.25
<u>DEALERS</u>		
BJ		1.33
CRAPS		4.00
BAC		4.00
RO		2.67
BIG SIX		2.67

* 2 supervisors required per 1 craps table (box or floor)

Craps - Box - 1 per table

Floor - 1 per every 2 tables

Plus

(usually) half the number of craps tables

ex: 12 craps tables=
6 box stations plus
3 floor stations + 3 supers. = 6

2. What should an organizational chart of these personnel look like to insure the greatest degree of control and audit capability?

As stated in the response to Question 1, and also, in part, in the response to Question 3, levels of supervision and organization of casino operations are essential components in the control of the casino games. Organizational charts in large casinos look very similar to the kinds of tables of organization one might see in any large corporation. They include, for example, critical elements of function segregation to insure that incompatible duties are not performed by individuals within the same or similar departments. This eliminates, as far as practicable, the possibility that an employee is in a position to both perpetrate and conceal errors or irregularities in the normal course of his duties.

Departments typically found within a large scale casino operation would include:

1. A Surveillance Department, whose responsibility it would be to conduct clandestine surveillance of the operation and conduct of the casino. This department would report directly to the Board of Directors.
2. An Internal Audit Department, whose responsibility it would be to review and appraise the adequacy of internal controls. This department would also report directly to a Board of Directors.

3. A Casino Department who would be responsible to a Director of Casino Operations and, in turn, to a Chief Executive Officer. This department would be responsible for the operation and the conduct of the games.
4. A Slot Department, supervised by a Slot Department Manager, who would report to the Director of Casino Operations and, in turn, to the Chief Executive Officer. This department would be responsible for the operation of the slot machines.
5. A Credit Department, supervised by a Credit Manager, responsible to the Director of Casino Operations. This department would handle the credit function including verification of credit references and the establishment of patron credit limits.
6. A Security Department, supervised by a Director of Security, and responsible to the Chief Executive Officer. This department would perform physical safety functions.
7. A Casino Accounting Department, supervised by a Casino Controller and responsible, in turn, to the Chief Financial Officer. This department would handle all recordation of casino transactions.

Clearly, casino operations of the size contemplated in Skagway would not require the elaborate kinds of casino organization outlined above. Some variation of that organization would be necessary in order to insure that the

games in question are properly run. The level and extent of that organization would depend, in large measure, on not only the size of the operation but also the types of games offered and the method of play. For example, no credit department and a more limited accounting department and function would be required if credit were forbidden. In addition, elaborate systems of surveillance, such as closed circuit television cameras and the like, would appear superfluous in a situation in which but two table games are allowed in a given facility.

Therefore, although it cannot be determined at present with specificity what particular levels of organization would be necessary in casino operations in Skagway, it can generally be said that the organizational structure should insure sufficient levels of supervision to permit of adequate control by segregation of function and sufficient diversity of organization to similarly segregate duties and responsibilities which arise from the operation of casino games.

3. What is the best means of hiring personnel, especially supervisory personnel, to assure professionalism and integrity?

Before any discussion of the methods for recruitment and hiring of personnel in a casino is undertaken, it is necessary to understand the critical importance of the identity of those personnel in the overall context of the security of the casino itself. In a casino, unlike the situation prevalent in virtually every other business of any kind, sales transactions are unrecorded. Although elaborate internal and accounting controls can be applied to exchanges of cash for chips and other representatives of value used in the course of casino games, there is no written account kept of the actual wagers themselves. As a result, the real business transaction of the casino is not reflected in any book or record.

For these reasons, the basic control that is used to make sure that casino business is run properly must rest with the integrity of the people involved. In ways which can be described in more detail as necessary, systems of supervision are utilized which insure that a variety of people must concur with the conduct of each individual casino transaction. Misconduct in the course of these transactions, therefore, requires collusion of a variety of employees. The more people involved in those transactions whose integrity can be reasonably insured, the more

confidence there can be that the transactions themselves are conducted in an honest fashion.

Choices in the hiring of personnel must be the result of a diligent screening process. That process must be undertaken in both the public and private sector. On the public side, a government agency should be provided the authority to issue licenses to casino personnel. All persons involved in any way in the conduct of the games or the supporting accounting functions involved in casino operations should be required to be licensed. In a casino business as small as that proposed in Skagway, the creation of a new agency to perform this function would seem unnecessary. An existing law enforcement agency could be given that authority. It is essential, however, that whatever agency is delegated the authority to conduct the licensing process, that agency be an authorized and credible law enforcement body. It will be expected that persons will attempt to become employed in Skagway casino operations from a variety of jurisdictions. In order to develop the most thorough and efficient summary of those persons' backgrounds, the investigating agency must be able to obtain information from law enforcement authorities literally throughout the world. The receipt of that information is greatly facilitated if the requesting agents have some established relationship with the bodies from whom the information is sought.

Statutory criteria should be established within which the licensing agency can evaluate the qualifications of each applicant for an employee license. Those criteria should be broad enough to permit the consideration of all relevant information, but they should also be specific enough to both survive any constitutional challenge and, of equal importance, establish certain specific qualifications about which the licensing agency has no discretion. For example, general standards of good character, honesty, financial responsibility and casino experience should be included. Information received in the course of the investigation of each applicant can be evaluated in accordance with these standards. In addition, the statutory criteria may provide that persons with a specific type of criminal history not be permitted licensure in any case.

No person should be permitted to work unless and until he has received an appropriate license.

On the private side, casino employers should exercise caution and responsibility in both the hiring and the retention of sensitive casino employees. The license screening process administered by the government serves one purpose, but maintenance of the integrity of the casino games must also come from a coupling of that process with private sector responsibility. Even a suspicion of cheating should be

cause for dismissal. Casino personnel should be sufficiently well paid to ensure that quality people are recruited and retained. Since increased employment in the area does not seem to a significant goal of the Skagway proposal, it seems unnecessary to implement any procedures which would give preference to local residents in casino employment. This would be advantageous in recruiting experienced people from other jurisdictions.

4. What types of games would have been common at the turn of the century, and which of these would be the best in terms of economic gain to the City of Skagway, ease of control and audit, and provide the greatest visitor appeal?

The question of the type of games to be offered in any authorized casino is, to be sure, an important one, and one on which we offer thoughts below. However, at the outset, it should be noted that specific designation of particular games is not necessarily essential at this stage of a casino proposal. What is a necessary component in this context in any beginning casino proposal is the recognition that only those games authorized by the regulatory authority empowered to control the casino operation will be allowed to be played in that casino operation. Once this power is established, the public can be assured that the games offered will be fair and in keeping with the general atmosphere intended by the enabling legislation. There is some significant value in leaving open the possibility to introduce new games or remove existing games from play as experience and time dictate success and failure.

For example, New Jersey found it necessary to amend its casino law to broaden the discretion vested in the regulatory authority to authorize new types of games as market demands demonstrated the necessity for modifications and as new games were developed and created. In recent legislation, authorizing casino gambling in Queensland, Australia, the nature and types

of games to be played was left to the discretion of the casino operator to propose and to the governmental apparatus to approve.

With respect to any particular games that might be contemplated and the advantages and disadvantages of them, the game which would probably prove the most popular and be in keeping with the historical ambiance intended is the game of Blackjack. You appear to have contemplated the introduction of this game by virtue of your reference to it in your fact sheet.

Blackjack is a game regularly played in casinos throughout the world, it is familiar to virtually all casino patrons and has proven successful and profitable as a general rule. Supervision and control of Blackjack has been explained, in part, in other sections of this report. There are other specific dealing rules and procedures which may be implemented which can further insure the integrity of the game. For example, Blackjack should be dealt from a dealing shoe and not out of the dealers' hand. Patrons should not be permitted to touch the cards which they are dealt. Specific shuffling and discard procedures should be followed and specific gaming rules can be implemented which can counteract card counters who might otherwise gain the edge in the probabilities of the game.

Another game that might be considered is the game of poker.

Although poker provides an increased possibility for patron cheating, by virtue of the players' handling of their own cards and their playing against one another, poker also presents a virtual certain profit for the house since the casinos' win comes as a price for dealing the game. The house does not gamble at all in casino poker.

A third game for consideration is the game of craps. This is a very American game which would probably be well known to those who would patronize the Skagway facilities. Craps fits well into the barroom sort of atmosphere which Skagway would be creating. It generates a great deal of player interest and excitement in the course of its play. The house advantage in craps depends on the type of wager placed, but, overall it can be expected that the casino would win between 15% and 20% of all chips purchased at the table.

To reiterate, the listed games above are provided only as suggestions. As also noted above, the initial proposal can include discretionary authority to identify, modify, and eliminate authorized games.

5. What would be an initial cost for equipment and operation to get the program started?

Costs of development are, obviously, a function of the nature of the development itself. The Skagway Proposal eliminates what, in other jurisdictions, has been the most expensive element of casino industry development - construction. The Skagway Proposal, as we understand it, intends to place casino games within existing facilities. As a result, capital costs would be limited to whatever minor alterations to the facility might be necessary for aesthetic, logistic reasons. It is premature to speculate at this point on what types of internal rearrangement might be necessary within any existing facility and, accordingly, the cost of that rearrangement must wait for another day.

However, what can be surmised within some general range is the cost of equipment. We have included in our report for this purpose a brochure prepared by the Paul-Son Dice and Card Company. This brochure is intended for your review as an example of the types of expense that could be anticipated in the purchase of casino equipment.

As one can see from a perusal of the brochure, these costs are not small. In addition, there must be included costs of the equipment which might not typically be realized. For example,

for the game of Blackjack, one must not only purchase the table itself, but the felt layout which covers the table, the locking tray and cover which secures the chip inventory, the drop boxes into which cash received for the purchase of chips is placed, and other similar ancillary apparatus.

One should also carefully consider the significance of items like chips and cards and their associated costs. One takes for granted that chips and cards are an essential element of any casino operation. However, it must be understood that the security over and the integrity of each of those items is critical to the overall honesty of the casino game. Therefore, chips which, in effect, serve as money in a casino, must be specially manufactured to prevent, as far as possible, counterfeiting. In addition, cards must be carefully designed to avoid patterns which lend themselves to easy marking. Cards, and to a lesser degree, dice as well, are regularly destroyed and replaced when they have developed any sign of use or wear that might compromise the integrity of that piece of equipment.

6. What kind of revenue could the city expect to receive?

Speculation on projected revenue is just as difficult in the casino field as it is in any other area, and probably more so. A wide variety of factors must be considered before any specific figure could be deduced. Typically, an analysis of general economic conditions is undertaken as is an analysis of site, location, and supply and demand. Without that kind of information available at the present time, the best projections we might be able to offer can be based in the general experience of existing jurisdictions.

In this connection, we offer you the following experience from Atlantic City, New Jersey. The industry there has estimated that the game of Blackjack typically generates income as follows:

1. A table with a \$2 minimum bet will win (gross profit) between \$68 and \$80 per seat per day.
2. A table with a \$5 minimum bet will win (gross profit) between \$170 to \$200 per seat per day.
3. A table with a \$25 minimum bet will win (gross profit) between \$850 and \$1,000 per seat per day.
4. A table with a \$100 minimum bet will win between \$3,400 and \$4,000 per seat per day.

As another means of comparison, during February of 1983 in Atlantic City, a casino of average performance won approximately \$2,500 per day per craps table, \$1,700 per day per roulette table, \$2,500 per day per big six wheel, and \$6,000 per day per baccarat table.

As has been said previously during the course of this report, the experience of any one jurisdiction will not necessarily coincide with the experience of another. The casino performance figures of Atlantic City provided herein are not those on which Skagway should rely or expect in its situation. There were 21,000,000 visitors to Atlantic City last year. Skagway will experience no such influx. The above figures are provided only so that you have some point of comparison into which you should calculate the variable factors of geography, size, scope, market and the like. As those factors are studied, a clearer picture of expected profitability in Skagway will take shape.

7. Under this proposal, what kind of social problems should we expect?

One lesson we have learned in the course of our having viewed various existing and proposed casino jurisdictions is that each casino environment is distinct. It is impossible to transpose any casino situation from one geographical area to another and assume that precisely the same set of circumstances will apply to each. The economic, sociological and demographic features of a particular region dictate the affect of the introduction of casinos into that region just as surely as they dictate the social effect of any other phenomenon that that region may experience. There are, however, two general categories of lessons which can be learned from the experience of other jurisdictions. On the one hand, certain social impacts can be expected as a general rule, and anticipation of these impacts can greatly enhance the value of the introduction of the casino experience. Secondly, there is a host of misinformation and mythology which surrounds the casino industry and which can be dispelled by a review of what has happened in other parts of the world.

First of all, the most frequent social effect mentioned in connection with the introduction of casinos is the growth of crime in the area. As a general proposition, it can be said that the introduction of casinos on any large scale has, in the past, increased crime rates. However, what must be

clearly understood about this observation is that the associated increase in the crime rate is, in very large measure, not the result of the introduction of casinos per se, but, rather, the result of the resultant enormous increase in the numbers of visitors to the area. For example, the increase in the crime rate in Atlantic City, New Jersey, after the introduction of casinos to that area was no greater and, to some extent, less than the increase in the crime rate in Orlando, Florida which resulted from the introduction of Disney World to that city.

To be sure, there are certain crimes which have typically been linked to casinos themselves. Prostitution and loan sharking are frequently mentioned in this category. However, what must be understood in evaluating the Skagway proposal in this context is the scale of casino operation therein proposed. The kinds of prostitution and loan sharking activity which may tend to arise in 30,000 to 100,000 square foot, million dollar a day casino operations in Las Vegas or Atlantic City will simply not be spawned in the infinitely more subdued and limited casino atmosphere contained in your proposal. For example, one casino activity which has caused some of the most severe law enforcement and social problems in large scale casino operations has been the area of credit. Questions of , untaxed casino proceeds, patron fraud, and compulsive

gambling have arisen from the issuance of credit to gamblers. However, in casino enterprises of the size you propose, it would be both unnecessary and inappropriate for credit to be available. This factor alone eliminates many of the social effects which have been criticized in other jurisdictions.

Another issue often linked with casinos, as mentioned briefly above, is compulsive gambling. The specter of the food money being gambled away at the tables haunts those who propose and support casino legalization. Again, there is an element of validity to this fear. Certainly, the availability of casino gambling, or any form of gambling for that matter, increases the possibility that persons will succumb to whatever psychological factors create the compulsive personality where they might not otherwise succumb if the opportunity to gamble had not been made readily accessible. However, here, too, this problem must be viewed in terms of scope and scale. The more limited the opportunity, the more limited the problem.

Other jurisdictions have dealt with this social effect in different ways. For example, in Great Britain, all casino gambling is conducted in facilities in the nature of private clubs. Patron access is limited to members. One may not become a member, or gamble in the facility, for a forty-eight hour period following application. This

practice is in keeping with the overall British policy that gaming not exist to meet any but unstimulated demand. Another practice in keeping with this policy is the prohibition of advertising by any English casino.

In the Bahamas, they have taken the policy a few steps further. In that country, no member of the local population is permitted to gamble. This clearly limits patron categories to visitors and tourists and severely limits any economic effects which may accrue to Bahamians as a result of the existence of casinos in their country.

Finally, in Malaysia, Malaysian citizens are required to deposit \$200 Malaysian (approximately \$85 American dollars) with a cashier on entering the casino. They are given a receipt for the money. When they leave the casino, on showing their receipt, their money is returned to them. This practice insures that, first of all, persons of some means are those who are gambling and, second of all, no one can gamble away their last dollar.

We do not mention these practices to suggest your adoption of all or any of them. We only note them for your consideration in evaluating the methods which can be utilized to limit what might be perceived as negative social impacts which result from casino gambling.

Finally, there is the axiom that where casinos go, organized crime will follow. Clearly, this impression arises from a combination of both historical fact and media reinforcement. The origins of casino gambling in the United States did have connections with organized criminal activity. The State of Nevada would be the first to admit that the first major casino in Las Vegas, the Flamingo, was owned and operated by Bugsy Siegel, a gangster of significant notoriety.

But history, after all, is history. There is nothing inherent in the conduct of a casino game that makes any association between it and organized crime inevitable. Careful review and oversight in the gaming area can, for all intents and purposes virtually eliminate organized crime infiltration in the ownership and the operation of casino enterprises. This is especially so under the circumstances you propose. Again, one must look first to the size and scope of the casinos envisioned. Skagway is not intended to be Las Vegas; it is not intended to be Atlantic City. Rather, Skagway as we understand it, intends to offer a small, quaint casino atmosphere with limited play and limited patronage. These are not circumstances ripe for any substantial criminal incursion.



Tourism
is everybody's
business.

ALASKA VISITORS ASSOCIATION

Please reply to:

FEB 27 1984

AVA
Fairbanks Chapter
GRB 70762
Fairbanks, Alaska, 99701

February 22 1984

Senator Bettye Fahrenkamp
Alaska State Legislature
Pouch V (MS 3100)
Juneau AK 99811

Dear Senator Fahrenkamp:

At our February meeting two important items pertaining to tourism were brought to our attention.

ONE

H.B. 659 and S.B. 476 on Historical Gambling

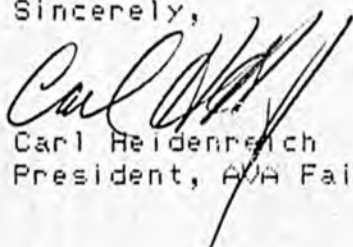
The Fairbanks Chapter of AVA unanimously supports this concept.

TWO

It was called to our attention that funding for the ARR Employment Program has fallen through the cracks due to the various plans to take over the Alaskan Railroad. Our Chapter feels that this program should stay in the Department of Education budget regardless of what happens to the railroad.

Thank you for addressing our concerns.

Sincerely,


Carl Heidenreich
President, AVA Fairbanks Chapter

"CITIZENS FOR SKAGWAY"
BOX 384
SKAGWAY, ALASKA 99840

February 22, 1984

Dear Senators and Representatives,

"Citizens for Skagway" is an organization of concerned Skagway residents who have pooled their resources in effort to keep a Limited Form of Historic Gambling from being legalized in Skagway. Until this year our efforts have been concentrated in Skagway, but with the introduction of House Bill No. 659 and Senate Bill No. 467 "An Act Authorizing Certain Municipalities to Conduct Limited Historic Gambling Enterprises", we are compelled to broaden our fight to the state level.

The "Citizens for Skagway" represent a typical cross section of American life, from independent businessmen and women, clergy, members of organized labor, business executives, and a most valued resource, our retired senior citizens. We have one thing in common that puts aside all other differences--We feel that a limited form of gambling is definitely not in the best interest of Skagway or the state of Alaska.

The objections to gambling as proposed by these bills are as diverse as the opponents themselves, ranging from strong moral objections; fear of the city owned gambling enterprises competing with private enterprise; doubts that the city could properly manage a gambling enterprise; questions concerning the great monetary gains promised the city; fear that the eventual eroding of limitations placed on the gambling enterprise would attract an undesirable element into our community; and a fear of further splitting the citizens of this community and of the state.

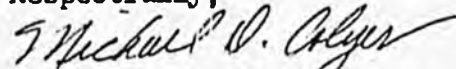
Our community is split, our city council is split and bitterness is already evident.

We ask you to consider this issue from within. It is an issue to take home with you, an issue to consider when dining with your family. Our actions and decisions of today must be lived with tomorrow.

For the good of Alaska, today and tomorrow, we urge you to oppose Senate Bill No. 467 and House Bill No. 659, and other legislation which will broaden the scope of legalized gambling in Alaska.

Thank you for your time and consideration.

Respectfully,


Michael D. Colyer, Chairman

Approx
150
signatures
opposed

Proposition No. 1 or any revised proposal.

We further petition the City Council of Skagway to reconsider the use of public funds on the gambling issue, including lobbying efforts and other related expenditures.

We urge City Council to find a solution that would provide year round employment or enterprises that have the support of the community.

SIGNATURE OF REGISTERED VOTER	DATE	RESIDENT'S ADDRESS
m. Paul Taylor	May 23, 1983	15 th Ave and Main Street
Lloyd L. Matthews	May 23, 1983	2nd and Main Street
Gerald W. Spinks	May 23, 1983	21 st and Main Street
Charlotte S. Ben	05/23/83	7th between State & Main
Karl M. M. Lull	05-23-83	9 th Main
Carlton H. Lockman	5-23-83	1st main
J. A. True	5-23-83	10th + Main
W. C. M. L. L. L.	5/24/83	18 th + State
O. S. Selmer (Stan)	May 24 '83	6 th E Main
Thomas C. Mason	MAY 24, 83	6 th S STATE
Dennis Taylor	May 25, 1983	15 th E Main
Ella Sullivan	May 25 1983	12th + State
Anne Lingle	May 25/83	7th + Alaska
Penny K. Sullivan	5/25/83	15th + State
Hoyd Sullivan	5/25/83	17th + Broadway
W. C. M. L. L. L.	5/30/83	7th + Alaska
Beryl K. Stogard	5/31/83	Mill 10, Rye R.R.
Martin P. Taylor	5/31/83	18 th + Main
Evangelina H. Taylor	5/31/83	18 th + Main
Ed Hancock	6/15/83	15 th + State
Ailene Rohlf	6/18/83	8 th + Broadway
Chris Rohlf	6/18/83	8 th + Broadway
Dorothy Dennis	6/18/83	4 th + State
Comes to: Governor Legislators	6/18/83	14th + Alaska
Silas P. Downing	6/18/83	2nd + Alaska
Bob Papuzzi	6/28/83	3rd + Alaska
Randy D. Feers	6/28/83	

Proposition No. 1 or any revised proposal.

We further petition the City Council of Skagway to reconsider the use of public funds on the gambling issue, including lobbying efforts and other related expenditures.

We urge City Council to find a solution that would provide year round employment or enterprises that have the support of the community.

SIGNATURE OF REGISTERED VOTER	DATE	RESIDENT'S ADDRESS
1. Maxine K. Selmer	5-31-83	6 th and Main, Skagway
2. Peggy White	5-31-83	6 th + Main, Skagway
3. Oscar Selmer (Star)	5-31-83	6 th + Main Skagway
4. Shawn Ackerson	5-31-83	6 th + State Skagway
5. Stan Seago	5-31-83	4 th + ALASKA SKAGWAY
6. Violet Conant	6-1-83	4 th and main
7. Brenda Eastham	6-1-83	2 and State, Skagway
8. George Papuzzi	6-1-83	2 and state
9. Edna Papuzzi	6-1-83	2nd state Skagway
10. Alberta Kusler	6-1-83	3rd + main Skagway
11. Elizabeth K. Albecker	6-1-83	3rd + Broadway, Skagway
12. Gerald E. Beck	6-1-83	3rd + State Skagway
13. Pamela K. Becker	6-1-83	3rd + State Skagway
14. Blodwen Reed	6-1-83	18 th + Main Skagway
15. Morgan Reed	6-1-83	18 th + Main Skagway
16. Roger Spel	6-1-83	5 th + Spring Skagway
17. Marcia C. Berry	6-1-83	5 th + Alaska Skagway
18. Jim Spencer	6-1-83	3 + main, Skagway
19. Linda Ethel	6/1/83	2nd + Alaska
20. Virginia Cochran	6/1/83	1st Ave
21. Thomas J. East Conlies for Governor	6/2/83	2 nd + State, Skagway

Legislators

...of any revised proposal.

We further petition the City Council of Skagway to reconsider the use of public funds on the gambling issue, including lobbying efforts and other related expenditures.

We urge City Council to find a solution that would provide year round employment or enterprises that have the support of the community.

SIGNATURE OF REGISTERED VOTER	DATE	RESIDENT'S ADDRESS
1. <i>Liane Knowl</i>	5/30/83	P.O. Box 256 - 8 th & 16 th 3 mile Dyea Rd.
2. <i>Marilyn Burgoy</i>	5/30/83	P.O. Box 217
3. <i>Chas. J. Mills</i>	5/30/83	Box 112 - 21 st & Main
4. <i>Joanne Hamme</i>	5/30/83	P.O. Box 324 - 8 th St Bridg + Main
5. <i>Ann W. Kenna</i>	5/30/83	P.O. Box 327 - 8 th & 16 th
6. <i>Bruce Boynton</i>	5/30/83	" " 163 - 9 th & 16 th
7. <i>Evelyn Boynton</i>	5/30/83	PO Box 163 - 9 th & 16 th
8. <i>Emely M. J. Sop</i>	5/30/83	PO Box 336 9 th + Spring
9. <i>Don M. J. Sop</i>	5/30/83	PO Box 22
10. <i>John R. Leonard</i>	5/30/83	P.O. Box 41, SKAGWAY
11. <i>Frances Hooford</i>	5/30/83	P.O. Box 452 - 9 th & 16 th 13 W 383 - 10 th & 16 th
12. <i>Soldier Dunkill</i>	5/30/83	Box 313 - 9 th & Main
13. <i>Barbara A. Moore</i>	5/30/83	
14. <i>Conda L. Thersault</i>	5/30/83	Box 454 - 22 nd & 16 th
15. <i>Randy Wentz</i>	5/30/83	Box 128 - 11 th St + Main
16. <i>Rochey A. D. Murphy</i>	5/30/83	BOX 217 - 3 mi. Dyea Rd
17. <i>Judy A. Maroney</i>	5-30-83	PO Box 191 - 22 nd & Main
18. <i>Thomas E. Hipon</i>	5-30-83	PO Box 272 - 16 th & 16 th
19. <i>Robert D. Carlson</i>	5/30/83	Box 397 - 8 th & Main

Copies to: Governor

Legislators

PROPOSITION NO. 1 OR ANY REVISED PROPOSAL.

We further petition the City Council of Skagway to reconsider the use of public funds on the gambling issue, including lobbying efforts and other related expenditures.

We urge City Council to find a solution that would provide year round employment or enterprises that have the support of the community.

SIGNATURE OF REGISTERED VOTER	DATE	RESIDENT'S ADDRESS
1. Richard Dick	5-26-83	7th Main P.O. Box 226
2. Alta M. Dick	5-26-83	7th Main P.O. Box 226
3. William B. Banger	5-26-83	8th Main P.O. Box 83
4. Ken Kasper	26 May 83	5th & Spring P.O. Box 138
5. Nancy Halan	26 May 83	5th & Spring P.O. Box 138
6. Mark Allen Kallstrom	28 May 83	4th & Broadway - Skagway
7. Burton K. Kallstrom	30 - May 83	3rd & State - Skagway
8. Lincoln Lane	30 - May 83	10th & State - Skagway
9. Linnea C. Benjamin	30 - May 83	9th & Main Box 260
10. Lincoln Lane	30 - " 83	
11. Perry Spencer	5-30-83	3rd & Main
12. Victor C. Nelson	5-30-83	5th & Broadway
13. Victor C. Nelson	5-30-83	5th & Broadway
14. Victor C. Nelson	5-30-83	5th and Broadway
15. Victor C. Nelson	5-30-83	8th & Broadway
16. Margaret Euston	5-30-83	7th & Broadway
17. Victor C. Nelson	5-30-83	Mission
18. Roy O. O'Brien	5-30-83	9th & Alaska
19. Victor C. Nelson	6-2-83	14th & Broadway
20. Paul Knapp	6/2/83	11th & Broadway
21. Jean Ray	6/2/83	14th MAIN
22. G.P. McToney	6-2-83	10th & Alaska
23. Evelyn A. Meyer	6-2-83	10th & Alaska
24. Edward P. Meyer	6-2-83	13th & Alaska state
25. Malcolm A. Moore	6-2-83	13th & State
26. Mary J. Moore	6-2-83	
27.		
28.		

Copies to: Governor
Legislators

proposition No. 1 or any revised proposal.

We further petition the City Council of Skagway to reconsider the use of public funds on the gambling issue, including lobbying efforts and other related expenditures.

We urge City Council to find a solution that would provide year round employment or enterprises that have the support of the community.

SIGNATURE OF REGISTERED VOTER	DATE	RESIDENT'S ADDRESS
1. Andrew Keirley	May 30-83	1st and Main -
2. Janne Buehly	May 30, 1983	1st and Main
3. Jay E. Goble	May 30, 1983	1st and Main
4. Charlotte A. Cable	May 30, 1983	1st & Main
5. Marion A. Kelso	May 31 1983	6th and Alaska
6. Margaret J. Kozicki	May 31, 1983	6th and Alaska
7. Diane Jolley	May 31/83	22 / Main
8. Vickie Lynde	MAY 31/83	6th and Alabst
9. Dennis Lundy	May 31/83	6th & Main
10. John Muth	May 31/83	21st & Main
11. Larry Robinson	May 31. 83	575 State St.
12. Allan Reed	May 31. 83	4th + Main
13. Barbara Spurl	May 31-83	5th + Spring
14. Joyce Knarr	May 31-83	5th Btw State & Main
15. Lauri Diago	May 31-83	4th + Alaska
16. Edith Lee	May 31-83	4th & Main
17. Mark H. Lee	May 31-83	4th & Main
18. Elliot L. Hubbard	May 31, 1983	4th / Broadway
19. Elma K. McMillen	May 31, 1983	4th + Main
Copies to: Governor Legislators		
20. E. Wanda Coring	May 31, 1983	4th & main
21. Pearl Bristow	May 31 1983	4 + main

of Skagway to prohibit gambling as proposed on the ballot of May 10, 1983, Proposition No. 1 or any revised proposal.

We further petition the City Council of Skagway to reconsider the use of public funds on the gambling issue, including lobbying efforts and other related expenditures.

We urge City Council to find a solution that would provide year round employment or enterprises that have the support of the community.

SIGNATURE OF REGISTERED VOTER	DATE	RESIDENT'S ADDRESS
1. Dorothy M. Barry	5-31-83	Ivory Lodge
2. Sandra Westfall	5-31-83	15th Broadway
3. Nancy B. Ervine	5-31-83	15th + State
4. Legend M. Ervine	5-31-83	15th + State
5. Mary Ervine	5-31-83	15th + State
6. Lola Sullivan	5-31-83	3rd Main
7. Brian Blanchard	5-31-83	20th + Alaska
8. Mona S. Casselman	5/31/83	18th + Alaska State
9. William S. Casselman	5/31/83	18th + State
10. Jimmy Holmes	5/31/83	20th + Alaska
11. John Reed	6/2/83	18th & Main
12. Alean L. Cannon	6/2/83	22nd + Main
13. Ross J. Jiro	6/2/83	22nd + Main
14. Patricia J. Jiro	6/2/83	-
15. Lillian M. Sidmore	6/3/83	2nd + Alaska

Copies to: Governor
Legislators

We further petition the City Council of Skagway to reconsider the use of public funds on the gambling issue, including lobbying efforts and other related expenditures.

We urge City Council to find a solution that would provide year round employment or enterprises that have the support of the community.

SIGNATURE OF REGISTERED VOTER	DATE	RESIDENT'S ADDRESS
1. Robt. J. Meroney	5/30/83	Box 191 23 rd + Main
2. William Selmer	5/30/83	Box 532 2 nd + Alaska
3. Dorothy B. Meroney	5/21/83	Box 413 - 11 th + Alaska
4. Wanda J. Self	5-31-83	Box 325 - 11 th + Alaska
5. May Self	5-31-83	Box 325 - 11 th + Alaska
6. J. M. Felt	5-31-83	134 206 - 19 th + Sta
7. Kristin L. Jorgensen	5-31-83	Box 282 - 9 th + Alaska
8. Jella Blanchard	5-31-83	Box 162 - 8 th + Alaska
9. Linda Hume	5-31-83	Box 135 - 3 mile Spear
10. Deborah E. Cogburn	5-31-83	P.O. Box 397 - 8 th + Main
11. J. M. Matthews	6-1-83	Box 364 - 9 th + Bidway
12. Ann Kay	6-1-83	Box 275 - 11 th + Bidway
13. Teresa Wentzel	6-1-83	Box 128 - 11 th + Btown State Main
14. Susan D. Meroney	6-1-83	14 th + Main
15. Mildred E. Meroney	6/1/83	14 th + Main
16. Elizabeth Selmer	6/2/83	11 th + Main

Copies to: Governor
Legislators

Proposition No. 1 or any revised proposal.

We further petition the City Council of Skaaway to reconsider the use of public funds on the gambling issue, including lobbying efforts and other related expenditures.

We urge City Council to find a solution that would provide year round employment or enterprises that have the support of the community.

SIGNATURE OF REGISTERED VOTER	DATE	RESIDENT'S ADDRESS
1. Gordon S. Blanchard	5/23/83	8TH & ALASKA
2. Michael D. Colyer	5/23/83	13TH & MAIN
3. Oscar Selmer	5/23/83	7TH Broadway.
4. Winton M. Jones	6/1/83	18TH & ALASKA.
5. Sherrie M. Colyer	6/1/83	12TH & Main
6. G. J. Warner	7/29/83	13TH BROADWAY + MAIN
7. Wanda Harner	7-29-83	13TH " "
8. Larry Jaegunt	7-29-83	9TH & ALASKA
9. Cecilie Matthews	7/30/83	2nd & Main

Copies to: Governor
Legislators