

HB

245

<TARGET><BILL>HB 245</BILL><SUBJECT>HB
245</SUBJECT><COMM>SFIN27</COMM></TARGET>

FISCAL NOTE

STATE OF ALASKA cost # codes
 2012 LEGISLATIVE SESSION

Bill Version _____
 Fiscal Note Number _____
 Publish Date _____

CSHB 245 (FIN)

2

Identifier (file name) HB245CS(FIN)-DOR-TAX-03-30-12 Dept. Affected _____ Revenue _____

Title _____ Snow Classic _____ Allocation _____ Taxation and Treasury _____

Tax Division _____

Sponsor _____ Representative Hawker _____

Requester _____ Senate Finance _____ OMB Component Number 2476

Expenditures/Revenues _____ (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants, Benefits								
Miscellaneous								
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE	(Thousands of Dollars)							
1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Prgm (DGF)								
1037 GF/MH (UGF)								
1178 temp code (UGF)								
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such) _____
Includes a new provision that will allow gaming permittees and licensees to advertise gaming using the Internet.

Prepared by _____ Joseph P Koss, Jr, Tax Auditor/Johanna Bales, Deputy Director
 Division _____ Tax
 Approved by _____ Alicia Egan, Legislative Liaison
 Department of Revenue _____

Phone 269-6589
 Date/Time 3/30/12 12:15 PM
 Date 03/30/12 8:43pm

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CSHB 245 (FIN)

Analysis

Bill Language:

The bill will add one more gaming activity to the authorized statutory lists, thus allowing one organization, the Four Valleys Community School in Girdwood, to conduct a snow classic. It will not affect any other organization because it is restricted to this one group. It will not affect the private sector because the private sector, outside of not-for-profit organizations, does not qualify for the permit required to conduct a gaming activity.

The bill will also amend AS 05.15.640(a) by specifically allowing a gaming permittee or licensee to promote [advertise] any gaming activity under AS 05.15 on the Internet. It will affect the private sector only in that gaming permittees and operators will now be allowed to advertise raffles, bingo, pull-tabs and other activities to the public online, but such advertising will still require a permit or license to conduct the advertised activity.

Revenues:

A snow classic will generate minimal revenue—under \$1,000.

Expenditures:

Department of Revenue can administer the provisions of this bill utilizing existing resources.

Representative Mike Hawker

Alaska State Legislature



House Bill 245 Sponsor Statement

Session:
State Capitol
Juneau, AK 99801
907 465-4949 direct
800 478-4950 toll free
907 465-4979 fax

Interim:
716 W 4th Avenue
Anchorage, AK 99501
907 269-0244 office
907 269-0248 fax

House District 32:
Eagle River
Anchorage
Rainbow
Indian
Bird
Girdwood
Portage
Whittier
Sunrise
Hope

"An Act establishing a snow classic as an authorized form of charitable gaming."

House Bill 245 would allow Four Valleys Community School, Inc. to conduct a "snow classic" to raise funds for their organization. The snow classic would be operated much like other contests already allowed under statute: contestants would buy a ticket and write a guess of the depth of snow accumulated by a specific date and time on Mount Alyeska. The winner would receive half of the net proceeds from the fundraiser.

Four Valleys Community School, Inc. (FVCS) is a nonprofit organization that annually offers more than 250 year-round classes and sponsors community events. While most of the participants are Turnagain Arm area residents, people from neighboring communities such as Anchorage, Eagle River, and Homer have participated in FVCS events. FVCS also supports athletes and local high school graduates with scholarships.

When community school funding from the Anchorage School District was eliminated, local residents helped FVCS become a 501(c)(3) nonprofit to ensure that lifelong learning and recreational opportunities remain available to the community. FVCS recruited volunteers to administer and teach, secured corporate and private donations, and fostered community involvement. Operating the snow classic will help achieve the short-term goal of self-sufficiency while keeping classes affordable and locally available. It also will support a long-term goal of creating a stable fundraising opportunity that will enhance the entire community.

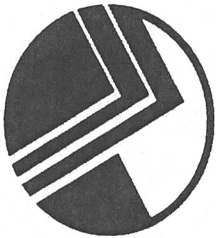
Staff Contact: Juli Lucky 465-4949

1/18/2012

Rep. Mike Hawker@legis.state.ak.us • <http://www.akrepublicans.org/hawker/>

House Bill 245
Snow Classic
Sectional Analysis
Version 27-LS08621E

- Section 1:** Adds "snow classics" to the existing list of games of chance and skill that can be permitted by the Department of Revenue.
- Section 2:** Adds "snow classics" to the existing definition of "activity" for the purposes of AS 05.15.115(c), which limits how permittees can contract with operators.
- Section 3:** Adds "snow classics" to the existing list of activities that can be licensed under AS Chapter 05.15. Games of Chance and Contests of Skill.
- Section 4:** Allows a raffle and lottery to use any type of broadcasting, not just radio or television, treating these activities the same as fish derbies, dog mushers' contests and classics; clarifies that the use of the Internet to promote a charitable gaming activity is permissible and deletes the definition of "broadcasting" (moved to AS 05.15.640 (c), enacted by section 5 of this bill).
- Section 5:** Adds new subsection 05.15.640 (c), which includes the current definition of "broadcasting" (moved from AS 05.15.640(a)), and defines the terms "Internet," and "Internet communication."
- Section 6:** Defines and describes the "snow classic."
- Section 7:** Annuls 15 AAC 160.945(b):
5 AAC 160.945. Conduct of gaming on the airwaves
(b) For purposes of AS 05.15.640, the term "broadcasting" includes use of the internet.



Four Valleys Community School, Inc.

P.O. Box 790

Girdwood, Alaska 99587

www.fourvalleys.org

phone: (907) 742-5317 fax: (907) 742-5322

What is Four Valleys Community School?

Four Valleys Community School (FVCS) is a local, non-profit 501c3 tax-exempt organization, whose core purpose is *community enrichment*, achieved by providing educational, recreational, and cultural activities for all ages. It serves the community members of Girdwood, Bird, Indian and Portage.

The non-profit was formed when state and school district funding was being cut. FVCS is based on the historical community education model and philosophy - which advocates processes and programs that utilize the total community environment and local resources. It promotes life long learning and emphasizes that educational, social, cultural and recreational opportunities be afforded to all residents of all ages. The community school serves as a catalytic agent by providing organization and leadership to mobilize local resources for individual and community improvement and enhancement. Based on the widely accepted components of community education, FVCS has adopted specific Goals and Objectives.

In other words, because Girdwood does not have a YMCA, a community center, a Health Club, Sylvan Learning Center and all the various other amenities afforded to those located geographically closer to Anchorage, Four Valleys Community School has largely filled that gap over the years. Four Valleys Community School has been successful in partnering with various local entities to provide space, expertise, and diverse activities for the community. Currently, and through August 2012, a Memorandum of Agreement with the Anchorage School District provides for the use of the Girdwood school building at youth nonprofit rates. We have had a positive relationship with Alyeska Resort as well, and management has been supportive.

Our business and agency partners are instrumental. Our instructor base is largely volunteer oriented, which is notably astounding each and every day. People are willing to give their time and skills in order to make their entire community a better place. We cannot do what we do without them. Four Valleys Community School is truly a community based organization, committed to providing meaningful educational, cultural, and recreational opportunities for local community members.

Education, Recreation and Cultural Activities

For the communities of Indian, Bird, Girdwood & Portage



Four Valleys Community School, Inc.
P.O. Box 790
Girdwood, Alaska 99587
www.fourvalleys.org

Four Valleys Community School, Inc. Program Description and Beneficiaries

Four Valleys Community School, Inc. (FVCS) offers local residents of four Turnagain Arm communities year round learning opportunities and community enhancing activities. FVCS practices the three basic components of community education, life long learning, community involvement, and efficient use of resources. The FVCS office and main facility at Girdwood School is open beyond the regular school day to provide academic, recreation, health, social service and work-preparation activities for people of all ages.

The majority of our organization's time is allocated to developing, promoting and managing community school classes. We recruit instructors, schedule the facilities, advertise programs, register students and monitor all the classes. A wide spectrum of classes is offered for all ages. Typically, 250 classes are offered yearly in three programs. Scholarships are available for anyone who cannot afford the registration fees. Please see the Fall/Winter 2011 Program attachment.

FVCS works with agencies such as the US Forest Service and the Municipality of Anchorage Parks and Recreation Department, the Girdwood Board of Supervisors and other local non-profits to provide for the needs of our communities. Interagency cooperation encourages efficient use of local resources. We help support a community health fair each year and bring a veterinarian from Anchorage to offer residents local access to health care for their pets. FVCS also organizes other community events including music concerts, a "Family Dance" event in early spring, a community wide volunteer appreciation barbeque in the spring and an annual "All Sports Swap" in the fall. Some of these gatherings double as fundraisers as well as community service events. FVCS enriches the community by financial support of activities such small theatrical productions (on the school stage), school technology upgrades, recycling efforts within the school

Education, Recreation and Cultural Activities

For the communities of Indian, Bird, Girdwood & Portage

and a year round recreational program to get local kids engaged in regular exercise to develop a healthy lifestyle.

FVCS encourages volunteerism, promotes civic responsibility and provides leadership and service opportunities to groups and individuals. For example, we collaborate with other organizations like the Turnagain Arm Lions Club, the Girdwood Rotary Club and the Girdwood Volunteer Fire Department to provide items to needy families during the holiday season. Gifts are donated by local residents by taking an ornament off an "Angel Tree" located in the community school office. The ornament is then replaced with an age appropriate gift for a needy child. FVCS supports "The Goldstitchers", a local quilting group who creates and donates a unique quilt annually to benefit one of the local non-profit organizations.

FVCS recognizes outstanding community service by awarding two individuals with a "Community Service Award" at our annual volunteer barbeque. Together with the Lions Club, Four Valleys awards two post-secondary scholarships of \$750 each to graduating local seniors who have been actively involved in our community and are attending college full time. Six scholar athlete awards are made in the fall to deserving youth who qualify, complete the application and successfully interview with a community based committee.

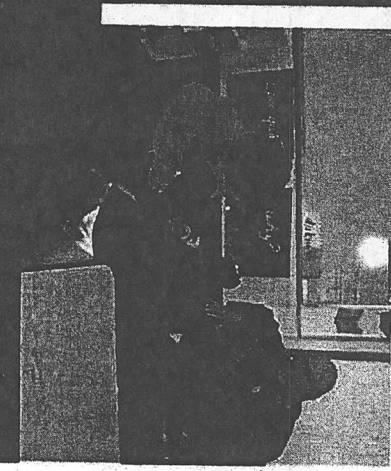
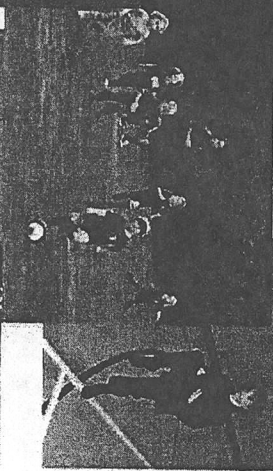
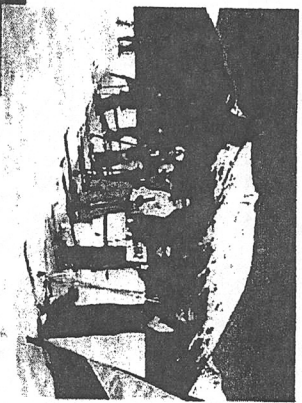
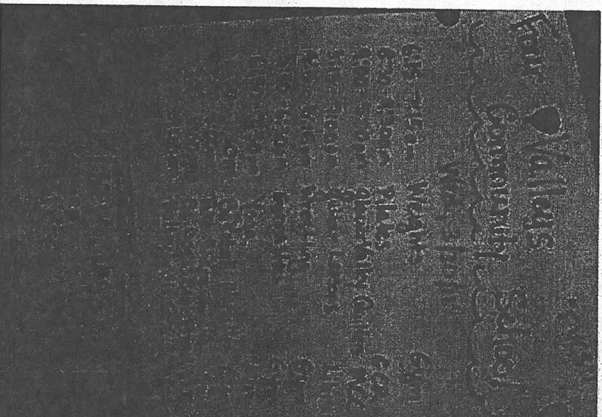
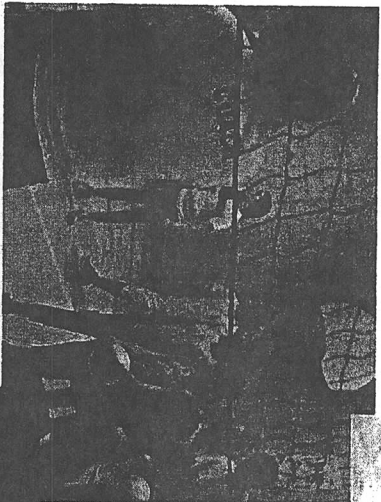
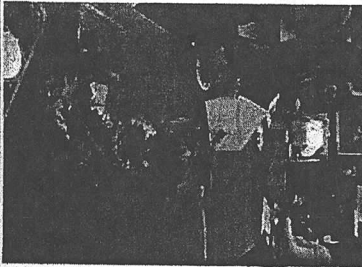
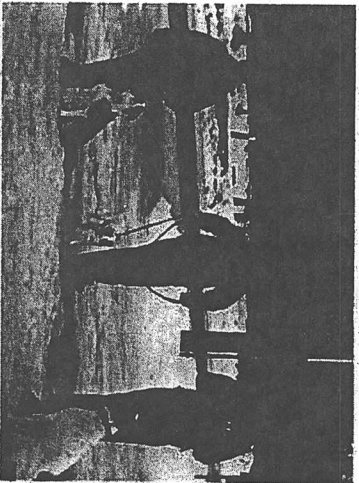
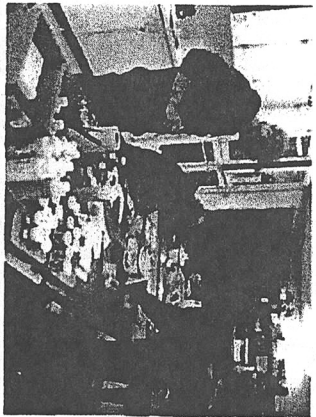
Our direct program beneficiaries are people of all ages from the communities of Bird Creek, Indian, Girdwood and Portage. Additional participants travel from Anchorage, Eagle River, Homer and other localities to attend some of our events and classes. Annually, FVCS serves over 6,800 participants and attracts more than 700 volunteers.

Education, Recreation and Cultural Activities

for the communities of Indian, Bird, Girdwood & Portage



Four Valleys Community School
Enriching *community* by providing recreational,
educational and cultural activities



Alyeska Snow Classic

The Alyeska Snow Classic is a new proposed gaming fund raiser for Four Valleys Community School, Inc., a 501(c)3 nonprofit organization based in Girdwood, Alaska. Winner(s) are determined by the exact guess of the total snow accumulation on the ground at the established Measurement Station on Mount Alyeska in Girdwood, Alaska. The total snow measurement from the ground up is taken by a neutral party on the publicized date and time. The measurement is to the nearest ¼ to ½ an inch. The winner(s) are to be notified after the measurement is taken. Their names are to be announced at a designated Alyeska Resort event on the annually publicized date and time.

Tickets: All tickets are numbered and accounted for. Each ticket has the following information printed on it:

1. Name of the event: Alyeska Snow Classic
2. Date and time of measurement: To be established annually with Alyeska Resort
3. Beneficiary: Four Valleys Community School, Inc.

Participation: Tickets are sold by participating Girdwood businesses and the Four Valleys Community School, Inc. (FVCS) staff for \$5 per ticket. Each ticket allows the participant one guess at the total snow accumulation from the ground at a specific day and time. Completed tickets are deposited into a sealed container at the participating businesses and FVCS office. All ticket sales close one month prior to measurement date at the end of the business day. Once the ticket sales are closed, ticket sale monies, unsold tickets and sealed containers with completed tickets are picked up from each business by FVCS monitors. Prior to the measurement, all tickets distributed for sale are accounted for by the FVCS monitors. The FVCS monitors are trained adults responsible for recruiting participating businesses, working with the business' employees on record keeping and procedure, delivering needed materials, re-supplying materials and picking up the guesses with accounting, ticket sale monies and secure container with guesses. All monitors and the measurer will be neutral persons who are unable to participate and win.

Prize: One prize is awarded equally to the winner(s) who guess the exact snow accumulation from the ground. The prize money is half the net amount. The net amount is the difference between the ticket sales and the administrative costs to run the Alyeska Snow Classic. The administrative costs include but are not limited to all printed materials, advertising, all supplies to include sealed ticket containers, accounting files for businesses, participating business earnings and staff and monitor payroll associated with this event.

Winners Announcement: Winner(s) are to be notified as quickly as possible. This notification process begins with the announcement of the snow accumulation measurement and winners on the specific publicized date at the designated Alyeska Resort event.

House Bill 245 Snow Classics Support Letter Index

Attached is a sample of letters received in support of House Bill 245. We have received letters from the following individuals, businesses, and organizations, which are available upon request:

1. Alpine Air Alaska
2. Alyeska Resort
3. Cassen, Kristen
4. Cook, Cassie
5. Doepken, Julie
6. Donnelly, Maggie and Christopher
7. Dorius, Kerry
8. Double Musky restaurant
9. Finch, Matt
10. Four Valleys Community School, Inc.
11. Girdwood 2020
12. Girdwood Board of Supervisors
13. Girdwood Parks and Recreation
14. Girdwood Rotary Club
15. Girdwood - Turnagain Arm Lions Club
16. Girdwood, Inc.
17. Graham, Nina
18. Hawes, Mandy
19. Jack Sprat Restaurant
20. Kauffman, Stacey
21. Kennedy, Sue
22. Kiland, Janette
23. Knutson & Associates, Attorneys at Law
24. Little Bears Playhouse, Inc.
25. McCombs, Zach
26. McDermott, Catherine
27. Mohl, Kelly
28. Moore, Suzie
29. Nix, Bethanie
30. Nix, George
31. Peterson, Travis
32. Powers, Diane
33. Preis, Pat
34. Rios, Selita
35. Saint Elizabeth Ann Seton Catholic Church
36. Shoffner, Katharina
37. Sirls, Elizabeth
38. Stone, Amy
39. The Bake Shop
40. Thill, Mary
41. Valhalla Construction
42. Wilkinson, Ken
43. Z Architects

ALPINE

Air Alaska

Professional Helicopter Services

November 16, 2011

Alaska State Legislature
120 4th Street, State Capitol, Room 3
Juneau, AK 99801-1182

Dear Committee Members of the House and Senate:

This is a letter of support for the creation of the Alyeska Snow Classic administered by Four Valleys Community Schools (FVCS).

My business supports this legislation. We request your continued support to enact this charitable gaming event into law.

For 30 years FVCS has been an essential year-round educational, recreational and cultural center for Girdwood and the Turnagain Arm Communities. They offer more than 200 classes, programs and events per year. FVCS focuses on lifelong learning, community involvement and efficient use of resources. They actively engage in collaborations and partnerships with local businesses, nonprofits and private donors to provide the full spectrum of services the Four Valleys communities seek.

An Alyeska Snow Classic will strengthen Four Valleys Community School and enable them to continue to meet the needs of the residents of Bird, Indian, Girdwood and Portage. A successfully operated Alyeska Snow Classic could fund their budget without recourse to property tax dollars when combined with their fundraising efforts.

In 1981 FVCS was created by community volunteers and is still governed by a volunteer Board of Directors. Due to the strength of its volunteer base, it is a one of the very few remaining Community Schools operating in the state. Over 650 volunteers contribute their talents and time to support a wide range of activities. Whether it is individual or family growth, FVCS provides many opportunities to learn, serve and recreate.

FVCS is an integral and vital part of community life in Girdwood and Turnagain Arm because it is the only organization that brings together a diverse spectrum of people for educational, recreational and cultural opportunities in an environment that is healthy and safe year round. Our organization is in full support of the legislation establishing the Alyeska Snow Classic.

Sincerely,



Deb Essex
Operations Manager
Alpine Air Alaska, Inc



December 9, 2011

Alaska State Legislature
120 4th Street, State Capitol, Room 3
Juneau, AK 99801-1182

Dear Committee Members of the House and Senate,

This is a letter of support for the creation of the Alyeska Snow Classic administered by Four Valleys Community Schools (FVCS).

I believe that the inception of an Alyeska Snow Classic administered by FVCS would aid the organization in supporting programs offered to residents of Indian, Bird, Girdwood, and Portage, all small communities along the Turnagain Arm.

- o FVCS has been operating since 1981
- o FVCS is one of the last remaining Community Schools operating in the state of Alaska
- o FVCS provides educational, recreational and cultural activities and operates similar to Parks & Recreation or a YMCA.

By operating the Alyeska Snow Classic, FVCS can meet the goal of funding its programs without the need of municipal tax dollars. It is also our hope that the Alyeska Snow Classic will one day allow FVCS to assist other non-profits in the Four Valleys.

I urge you to vote in favor of the legislation creating an Alyeska Snow Classic administered by Four Valleys Community Schools, Inc.

Sincerely,

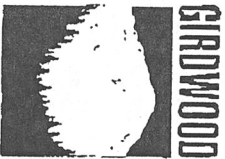


Di Hibner

Ski Area General Manager & VP
Alyeska Resort



ALYESKA RESORT
ALASKA



P.O. Box 1102
Girdwood, Alaska 99587
www.girdwood2020.org

Executive Committee

Larry Casn, Cochair
Diana Stone Livingston, Cochair
Hank Hasford, Secretary
Carl Proppes, Treasurer

Four Valleys Community School, Inc.
P. O. Box 790
Girdwood, AK 99587

Subject: Alyeska Snow Classic

To Whom It May Concern:

Gary Bucy
Randall Cai
Larry Daniels
Jeff Demain
Bryan Eoley
Jessica Carey Graham
Bob Gross

At a meeting of the board of directors of Girdwood 2020, upon motion duly made and seconded, the board unanimously approved holding an "Alyeska Snow Classic" to be operated and administered by Four Valleys Community School, Inc. with proceeds supporting Four Valleys Community School programs.

Accordingly, we encourage legislative support for SB 146 and HB 245.

Sincerely,

Diana Stone Livingston, Cochair

David McVeigh
Dave Parish
Sharon Perry
John Rense
Dave Stratton
Ethan Tyler
Dave Wilson

Jim Barnett, Honorary Member
Per Bjorn Roll, Honorary Member
Chris von Imhof, Honorary Member





Municipality of Anchorage

PO Box 390, Girdwood AK 99587

Parks & Recreation Department



January 12, 2012

Alaska State Legislature
120 4th Street, State Capitol, Room 3
Juneau, AK 99801-1182

Dear Committee Members of the House and Senate:

I am writing in support of Four Valleys Community Schools in their efforts to create the Alyeska Snow Classic and I urge you to support the needed legislation to create and approve an Act establishing the Snow Classic as an authorized form of charitable gaming.

I am a long time member of the Girdwood Community. FVCS has been operating for over 30 years and I am proud to say I have been involved with them throughout this entire time in one way or another. Over the years I have worked as Coordinator, held a volunteer position on their board, and have volunteered as instructor, teaching many varied classes for the benefit of community members. I tell you this to show that I am in a unique position having been involved with the organization in every conceivable way and continue to support this non profit organization. When I say they have been instrumental in changing the face of our community through educational, cultural & recreational programming it is not an exaggeration. At this time, as a Municipality of Anchorage employee in Girdwood, I continue to work closely with the community school as they continue to provide much of the recreational programming that is typically sponsored by the municipality.

Over the years, the community school has evolved from a municipal program to a non profit organization and continues to provide vital services to the Girdwood community. The change from a municipally sponsored program to a non profit has been difficult, as funding is always an issue. The community has supported the organization with small recreational grants; however this funding is not assured. The creation of the Snow Classic would help insure that the program of much needed funding without requesting local tax dollars. If successful, this game of chance has the potential to provide FVCS with a steady income stream and the ability to help other local non profits as well.

While I know that there are often questions about the suitability of games of chance, I feel strongly that the Snow Classic would not be a problem. A event such as these occurs only once a year and participation is strictly optional. It would provide a annual revenue stream for a hard working, funding strapped non profit that has a proven track record of giving back to and improving their community since 1981.

I urge you to support legislation creating the Alyeska Snow Classic administered by Four Valleys Community Schools, Inc.

Sincerely,

Jonnie Lazarus
Girdwood Parks and Recreation

Jen Wingard, President
Frank Weeks, President Elect
George Stewart, Past President
Hugh Callert, Vice President
Cassia Roe, Secretary
Ryan Cederhead, Treasurer
Scott Capshaw, Sgt.-At-Arms
Veronica Titton, Director
Rebecca Redburn, Director



Girdwood Rotary Club



PO Box 1205, Girdwood, Alaska 99587 | e-mail: President@GirdwoodRotary.org | www.GirdwoodRotary.org

SERVICE Above Self

January 11, 2012

Representative Mike Hawker
Alaska State Legislature
120 4th Street, State Capitol, Room 3
Juneau, AK 99801-1182

Dear Representative Hawker:

Thank you for introducing and supporting House Bill 245 which establishes the Alyeska Snow Classic operated and run by Four Valleys Community School, Inc. (FVCS). Our organization supports this legislation. We request your continued support to enact this charitable gaming event into law.

An Alyeska Snow Classic will strengthen Four Valleys Community School and enable them to continue to meet the needs of the residents of Bird, Indian, Girdwood and Portage. A successfully operated Alyeska Snow Classic could allow FVCS to become self-sufficient and no longer need public money to support its operations.

For 30 years FVCS has been an integral part of community life in Girdwood and Turnagain Arm because it brings together a diverse spectrum of people for educational, recreational and cultural opportunities in an environment that is healthy and safe year round. The Girdwood Rotary Club is in full support of the legislation establishing the Alyeska Snow Classic.

Sincerely,

A handwritten signature in cursive script that reads "Jen Wingard".

Jen Wingard
President 2011-2012
Girdwood Rotary



Little Bears Playhouse, Inc.
PO Box 350
Girdwood, AK 99587-0350
December 9, 2011

Alaska State Legislature
120 4th St., State Capitol, Room 3
Juneau, AK 99801-1182

Dear Committee Members of the House and Senate:

This is a letter of support for the creation of the Alyeska Snow Classic administered by Four Valleys Community Schools (FVCS). Little Bears Playhouse, Inc., the non-profit childcare center serving the same communities as FVCS, supports this legislation. We request your continued support to help enact this charitable gaming event into law.

The services of FVCS are essential for Girdwood and the other communities of Turnagain Arm. An Alyeska Snow Classic will strengthen FVCS and enable them to continue to meet the needs of the residents of Bird Creek, Indian, Girdwood, and Portage. A successfully operated Alyeska Snow Classic could fund the organization's budget, combined with other fundraising efforts.

Similar to Little Bears Playhouse, Inc., FVCS was created by community volunteers and is still governed by a volunteer Board of Directors. Several hundred FVCS volunteers contribute their talents and time to support a wide range of activities. FVCS provides many opportunities for people of all ages in the Turnagain Arm area. Little Bears Playhouse, Inc. would like to see that continue for many more years to come!

FVCS is a very important part of community life in Bird Creek, Indian, Girdwood, and Portage. Little Bears Playhouse, Inc. is in full support of the legislation establishing the Alyeska Snow Classic.

We urge you to vote in favor of this legislation! Thank you.

Sincerely,

Jordan Lower

Jordan Lower, President
Little Bears Playhouse, Inc.

jordan@alaska.net
907-223-3112