

HB

341

<TARGET><BILL>HB 341</BILL><SUBJECT>HB
341</SUBJECT><COMM>HL&C30</COMM></TARGET>



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

OFFICE OF THE COMMISSIONER

P.O. Box 110800
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Main: 907.465.2500
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MEMORANDUM

TO: Representative Sam Kito, Chair
House Labor and Commerce Committee

DATE: Monday, February 12, 2018

FROM: Mike Navarre, Commissioner *MN*

RE: Hearing request for HB 341

Please accept this request to schedule HB 341 – Repeal: Athletic Commission; Boxing/Wrestling Law for consideration by the House Labor and Commerce Committee.

This legislation repeals the Athletic Commission and the position of commissioner of athletics. The Athletic Commission was deactivated in 1997 and the boxing and wrestling licensing program has not been in effect since 2002. Licensing fees for these programs are set in statute and do not cover the costs of operation.

If you have any questions regarding this hearing request, please feel free to contact Micaela Fowler at 465-2503.

Enclosures

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Governor Bill Walker
STATE OF ALASKA

February 8, 2018

The Honorable Bryce Edgmon
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Edgmon:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to repealing the athletic commission, and requirements for boxing and wrestling to obtain licenses.

The athletic commission is established in title 5, chapter 5 and consists of four members appointed by the governor. However, the commission has not been staffed, nor have Commissioners been appointed, since 1997 when the commission was deactivated by the Governor's Office.

The Department of Commerce, Community, and Economic Development continued to issue licenses for boxing and wrestling matches under AS 05.10.010, but in 2002 notified the Alaska Boxing Commission that the Department had stopped licensing professional and club boxers, wrestlers, and events. Since the fees established in AS 05.10.120 are insufficient to cover the costs of licensing and oversight of boxing and wrestling, and since the program has not been funded adequately for a number of years, this bill would repeal this unused statute. Currently, there are federal law provisions that apply to boxing. Further, under the Muhammad Ali Boxing Reform Act, the Attorney General, as chief law enforcement officer, could maintain a civil action in federal district court to enjoin a professional boxing match, enforce compliance with federal law, or obtain fines.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in blue ink that reads "Bill Walker".

Bill Walker
Governor

Enclosure



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HB 341 ver A: Repeal: Athletic Commission; Boxing/Wrestling Law
Sectional Analysis

Sec. 1: This section repeals licensure requirements for boxing and wrestling, removes the athletic commission and the commissioner of athletics from statute, and removes the licensing fees and associated powers and duties. It removes the Athletic Commission from professional licensing centralized statutes. It makes conforming changes to statute to remove an exemption for boxing and wrestling contests authorized under AS 5.10 for civil liability for sports and recreational activities. It also makes conforming changes to remove reference to licensure under AS 05.10 in Alaska Commission on Postsecondary Education and child support statutes.

Sec. 2: Provides transitional language authorizing the department to amend or repeal any regulations adopted by the athletic commission established in AS 05.05.010. It also requires the department to release any licensee bonds held under AS 05.10.060.

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version:	HB 341
Fiscal Note Number:	1
(H) Publish Date:	2/9/2018

Identifier: DCCED-CBPL-01-25-18
 Title: REPEAL:ATHLETIC COMM;BOXING/WRESTLING
 LAW
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: RULES

Department: Department of Commerce, Community and
 Economic Development
 Appropriation: Corporations, Business and Professional
 Licensing
 Allocation: Corporations, Business and Professional
 Licensing
 OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURES							
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

Fund Source (Operating Only)

1004 Gen Fund (UGF)	15.1		(15.1)				
1156 Rcpt Svcs (DGF)	(15.1)		15.1				
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/19

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By:	Janey McCullough, Director	Phone:	(907)465-2538
Division:	Corporations, Business and Professional Licensing	Date:	01/25/2018 11:00 AM
Approved By:	Catherine Reardon, Director	Date:	01/25/18
Agency:	Division of Administrative Services, DCCED		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

LL 0808-1 repeals the Athletic Commission

This bill repeals the Athletic Commission, to which commissioners have not been appointed since 1997 when the commission was deactivated by the governor's office.

The bill also repeals the licensure of professional and club boxers, wrestlers and events, which was discontinued by the department in 2002.

Per AS 08.01.065, fees for each profession regulated by the Division of Corporations, Business, and Professional Licensing are set and adjusted by regulation to approximately equal the regulatory costs for that profession. In recent years the division has put considerable effort into setting fees for programs in deficit to ensure that they are covering program costs and recouping past deficits. Athletic Commission fees were set in statute in 1960 under AS 05.10 and were not able to be adjusted by regulation to comply with AS 08.01.065.

The Athletic Commission carries a historical \$15.1 deficit. One-time general funds are needed to retire this deficit. Without this one-time funding, the division will carry an unfunded liability in perpetuity. If general funds are not used to retire this deficit, the only other option to eliminate the deficit is to spread the costs among the other licensing programs and require other licensing programs to pay higher fees to neutralize the Athletic Commission's deficit.

If this legislation is enacted, in FY2019 \$15.1 in receipt supported services (fund code 1156, receipts collected from professional licensees) will be replaced with \$15.1 in general funds (fund code 1004). In FY2020, the receipt supported services authorization will be reinstated and the general fund authorization will be removed. In FY2017, the Division lapsed \$219.7 in revenue to the general fund from fines levied by professional licensing programs.

A small regulations project will be needed to repeal the obsolete Athletic Commission regulations after the bill takes effect. The division will include that repeal in another regulations project and will not require additional appropriation.