

**HB**

**18**

<TARGET><BILL>HB 18</BILL><SUBJECT>HB  
18</SUBJECT><COMM>SCRA30</COMM></TARGET>

# SENATE COMMITTEE REPORT

DATE: 2/15/17

FURTHER: Labor and Commerce

DATE TURNED  
IN TO OFFICE: 4/14/17

Community and Regional Affairs Committee considered HOUSE BILL NO. 18

## HB 18-RACE CLASSICS

"An Act relating to race classics."

and recommends:

- be replaced with SCS HB18 (CRA)  Same Title  Technical Title Change  
 New Title/SCR No. \_\_\_\_\_
- adopt previous SCS \_\_\_\_\_ ( \_\_\_\_\_ )  Same Title  Technical Title Change  
 New Title/SCR No. \_\_\_\_\_
- attached amendment(s)
- adopt \_\_\_\_\_ Letter of Intent
- further referral to \_\_\_\_\_ Committee

Dept Abbr.	
ADM	LWF
CED	LAW
COR	LEG
EED	MVA
DEC	DNR
DFG	DPS
GOV	REV
DHS	DOT
AJS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
REV			✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Beta Gardner</i>	Gardner			X	
<i>Anna Mackinnon</i>	Mackinnon			✓	
<i>Beet Stehman</i>	STEHMAN	✓			
CHAIR: <i>Cliff Bishop</i>	Bishop	✓			

**SENATE CS FOR HOUSE BILL NO. 18(CRA)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**THIRTIETH LEGISLATURE - FIRST SESSION**

**BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE**

**Offered:**  
**Referred:**

**Sponsor(s): REPRESENTATIVES ORTIZ, Claman**

**A BILL**  
**FOR AN ACT ENTITLED**

1 **"An Act relating to race classics."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **\* Section 1.** AS 05.15.690(40) is amended to read:

4           (40) "race classic" means a game of chance where prizes are awarded  
5           for the closest guess or guesses of the official winning times of a human race or races  
6           [, AND IS LIMITED TO THE MT. MARATHON RACE CLASSIC OPERATED  
7           AND ADMINISTERED BY THE SEWARD CHAMBER OF COMMERCE  
8           CONVENTION AND VISITORS' BUREAU];

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR MACKINNON

TO: HB 18

1 Page 1, lines 4 - 10:

2 Delete all material and insert:

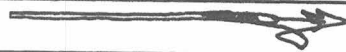
3 "(40) "race classic" means a game of chance where prizes are awarded  
4 for the closest guess or guesses of the official winning times of a human race or races  
5 [, AND IS LIMITED TO THE MT. MARATHON RACE CLASSIC OPERATED  
6 AND ADMINISTERED BY THE SEWARD CHAMBER OF COMMERCE  
7 CONVENTION AND VISITORS' BUREAU];"



**KAWERAK, INC.** • P.O. Box 948 • Nome, AK 99762



TEL: (907) 445-5231 • FAX: (907) 443-4452



ERVING THE  
VILLAGES OF:  
REVIG MISSION  
OUNCIL  
IOMEDE  
LIM  
AMBELL  
OLOVIN  
ING ISLAND  
OYUK  
IARY'S IGLOO  
OME  
AVOONGA  
HAKTOOLIK  
HISHMAREF  
OLOMON  
TEBBINS  
T. MICHAEL  
ELLER  
NALAKLEET  
VALES  
WHITE MOUNTAIN

March 28, 2017

Alice Bioff  
P.O. Box 862  
Nome, Alaska 99762

Public Testimony Given to the Community and Regional Affairs Committee

SJR 4 - Senate Joint Resolution No. 4

Position: **SUPPORT**

Dear Honorable Committee Chair and Committee members,

My name is Alice Bioff, resident of Nome, Alaska, currently employed at Kawerak, Inc. and an Alaska State Council on the Arts (ASCA) council member. Thank you all for the opportunity to testify in support of Senate Joint Resolution #4. I am a tribal member of the Native Village of Koyuk, and grew up there and in Nome. My family and I have lived in Nome for the last 17 years. For much of that time, I have been employed by Kawerak, Inc., the regional Native non-profit consortium of tribes for the Bering Strait region, as a Business Planning Specialist.

Through our work here at Kawerak, I am honored and privileged to work with artist entrepreneurs within our communities. We provide direct technical assistance offering tools and resources to assist artists continue their work so that they can sustain themselves, their families and their communities.

Walrus Ivory harvested during subsistence hunting is one of the main materials Artist Entrepreneurs in our region use to carve into unique traditional artwork that has been recognized for its amazing craftsmanship throughout the world.


Artist Entrepreneurs are economic development drivers in their communities. I see firsthand the economic impact of selling ivory has in our communities. But most importantly how the arts and crafts keep our traditional practices alive and strong, beautiful work being passed down from one generation to the next. Our art is weaved into who we are as indigenous people and having access to the materials to continue that art is vital. I support this resolution. It would be a shame to see our ability to sell

ivory collapse because of a lack of understanding of a culture that is unique and special with a history of customary traditions and ability to live with nature and ability to successfully self-manage a resource such as walrus. Please educate those who do not understand.

This resolution is an important step in advocating and protecting the inherent rights of each and every one of our tribal members. Our ability to harvest and use the bi-products of the animals we hunt and sustain our families is crucial. Thank you Senators Olson, Garner, Begich, Stedman, Bishop and Egan for bringing this resolution forward.

Thank you for this opportunity to offer testimony, and if you have any questions, please feel free to contact me at, (907) 443- 4366 or email me at [bp.spec@kawerak.org](mailto:bp.spec@kawerak.org).

Sincerely,

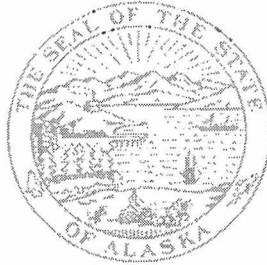
A handwritten signature in black ink, appearing to read "Alice Bioff", written in a cursive style.

Alice Tunuunataq Bioff  
Business Planning Specialist  
Kawerak, Inc.  
P.O. Box 948  
Nome, Alaska 99762  
[bp.spec@kawerak.org](mailto:bp.spec@kawerak.org)  
(907) 443-4366  
[www.kawerak.org](http://www.kawerak.org)

# REPRESENTATIVE DAN ORTIZ

*Alaska State Legislature / Ketchikan, Saxman, Wrangell, Hydaburg, Metlakatla, Hyder, Loring and Meyers Chuck*

SESSION ADDRESS:  
Alaska State Capitol  
Juneau, Alaska 99801  
Phone: 907-465-3824  
Toll Free: 1-800-686-3824  
Fax: 907-465-3175



INTERIM ADDRESS:  
1900 First Avenue, Suite 310  
Ketchikan, Alaska 99901  
Phone: 907-247-4672  
907-465-5269  
Fax: 907-225-8546

## Sectional Analysis: Race Classic

Amends AS 05.15.690(40) to add a subsection B, making the Race to Alaska a permit eligible race classic for the Greater Ketchikan Chamber of Commerce.

# Fiscal Note

State of Alaska  
2017 Legislative Session

Bill Version: HB 18  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB018-DOR-TAX-1-27-17  
Title: RACE CLASSICS  
Sponsor: ORTIZ  
Requester: (H) L&C

Department: Department of Revenue  
Appropriation: Taxation and Treasury  
Allocation: Tax Division  
OMB Component Number: 2476

## Expenditures/Revenues

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

(Thousands of Dollars)

	FY2018 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates					
			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time								
Part-time								
Temporary								

## Change in Revenues

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2017) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2018) 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? No  
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

## Why this fiscal note differs from previous version:

Not applicable; initial version.

Prepared By: Katrina Mitchell, Gaming Group Manager  
Division: Tax Division  
Approved By: Jerry Burnett, Deputy Commissioner  
Agency: Department of Revenue

Phone: (907)465-3410  
Date: 01/27/2017 12:00 PM  
Date: 01/27/17

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2017 LEGISLATIVE SESSION

BILL NO. HB 18

**Analysis**

The proposed bill would authorize the Greater Ketchikan Chamber of Commerce to conduct a race classic under their charitable gaming permit. Currently, only the Seward Chamber of Commerce Convention and Visitor's Bureau is authorized to conduct a race classic with a gaming permit.



## Greater Ketchikan Chamber of Commerce

2417 Tongass Ave., Ste. 223A

Ketchikan, AK 99901

**Representative Dan Ortiz**  
State Capitol Rm 114  
Juneau, AK 99801

**January 19<sup>th</sup>, 2017**

### **Subject: Support from the Greater Ketchikan Chamber of Commerce Regarding House Bill 18**

Representative Ortiz, and members of the Alaska State Legislature.

The purpose of this letter is to express the Greater Ketchikan Chamber of Commerce's support for passage of House Bill 18, regarding Race Classics.

The Ketchikan Chamber of Commerce represents over 200 members, and is dedicated to developing a sustainable and prosperous business environment which supports economic vitality, and quality of life and community well-being in the greater Ketchikan region.

In 2015, Ketchikan was surprised to find itself the finish line of an exciting new unpowered boat race, the Race to Alaska, or R2AK. R2AK participants make a 750 mile journey from Port Townsend, WA to Ketchikan, AK in unpowered vessels. The first team to finish wins \$10,000. The second team, a set of steak knives!

The Ketchikan Chamber of Commerce is seeking to raise funds for local community projects, and to increase the excitement surrounding the R2AK, by starting a new community guessing game fundraiser similar to the Nenana Ice Classic. Participants would guess the time the first contestant completes the race, and the person coming closest to the actual time would win a cash prize. The proceeds of this fundraiser would be used by the Ketchikan Chamber of Commerce for special activities such as community projects, economic development programs, helping to grow a new scholarship fund, and more.

After conducting a good deal of research, we have determined that specific legislative authorization is necessary. HB-18 gives the Ketchikan Chamber of Commerce permission to conduct a charitable community fundraiser of this type, based around the Race to Alaska, by including this event within the State's existing definition of "race classics." HB-18 specifies that this event would be administered by the Ketchikan Chamber of Commerce.

The tradition of "classics" is a fun and common form of Alaskana. A great many non-profit entities throughout Alaska have been given permission by the legislature to conduct "classic" fundraisers of this type. There are currently race classics, dog mushers' classics, rain classics, fish derbies, moose derbies, and even goose and canned salmon classics.

There is strong precedent for Chamber of Commerce organizations to host events of this type. Similar events are hosted by the Chamber of Commerce organizations for Juneau, Fairbanks, Kenai, Seward, Petersburg, Delta, and Big Lake.

**Greater Ketchikan Chamber of Commerce**

2417 Tongass Ave., Ste. 223A  
Ketchikan, AK 99901

The benefits of HB 18 to our organization and community would include:

- Provides a new source of self-generated revenue for community projects which otherwise would not be present.
- Supports community and economic development activities.
- Helps get Alaskans excited about contributing to community projects and initiatives
- A form of traditional Alaskana which adds to the fun and excitement of the event!
- Does not cost the State anything, but creates a new source for funding community initiatives.

While this may seem a relatively modest request, it is none-the-less important and meaningful to our community. With State and local government funding decreasing, and with funding for non-profit and community activities declining every year, every new source of revenue for community projects is extremely meaningful.

We know that the members of Alaska's legislature have very challenging decisions ahead during this session. We thank you for taking the time to consider our request for what we believe is a relatively small (albeit necessary) administrative change, requiring legislative approval.

Thank you for your consideration.

Sincerely,

*William Swift*

William Swift

Executive Director, Ketchikan Chamber of Commerce

**Greater Ketchikan Chamber of Commerce 2017 Board of Directors**

Officers

- Marc Guevarra, President.....Northrim Bank
- Chelsea Goucher, Vice President.....Alaska Marine Lines
- Rachel Guyselman, Second Vice President.....Tongass Federal Credit Union
- Katherine Tatsuda, Secretary.....Tatsuda's IGA
- Doug Ward, Officer-at-Large.....Vigor Alaska

**Greater Ketchikan Chamber of Commerce**

2417 Tongass Ave., Ste. 223A  
Ketchikan, AK 99901

Jason Custer, Past President..... Alaska Power and Telephone

Mary Wanzer, Member at Large.....Coastal Real Estate Group

Sophia Smith, Treasurer.....Key Bank

**Directors**

Ann McKim.....Island Tile & Marble

Bett Union-Jakubek.....PeaceHealth KMC Foundation

Renee Schofield.....TSS, Inc.

Jacque Meck.....TLP Communications, Inc

Trish Pearson.....Fish From Trish

January 30, 2017

Representative Sam Kito, Chair  
Representative Adam Wool, Vice Chair  
Representative Andy Josephson  
Representative Louise Stutes  
Representative Chris Birch  
Representative Gary Knopp  
Representative Colleen Sullivan-Leonard

Honorable Members of the House Labor and Commerce Committee:

My name is Chelsea Goucher and I am the current Vice President of the Greater Ketchikan Chamber of Commerce. I also serve as President of the Board for Southeast Conference, Southeast Alaska's EDA-designated economic development organization. I am currently employed as an Account Representative for Alaska Marine Lines, but in the past I was employed by the Ketchikan Chamber as Executive Director. I held that position for two years and am intimately acquainted with the Chamber's activities and its importance to the community of Ketchikan and surrounding areas.

I am sharing this testimony to express my whole-hearted support for Representative Dan Ortiz's proposed amendment to House Bill 18: "An Act Relating to Race Classics." His amendment would allow the Greater Ketchikan Chamber of Commerce to raise monies by operating and administering a race classic with their gaming permit, as is currently done by the Seward Chamber with their Mt. Marathon Race Classic. I support in full the letter of support submitted by Bill Swift, current Executive Director of the Ketchikan Chamber, and have just a few points to add concerning the importance to Ketchikan of the monies that might be generated by hosting a race classic such as that provided for in House Bill 18.

The Ketchikan Chamber has undertaken a wide variety of special projects in recent years, including but not limited to: workforce development initiatives, economic and community development programs, fun community events such as the lighting of the town Christmas tree and the July 4<sup>th</sup> parade, employee wellness trainings, informational programs, networking events to encourage a vibrant economy, assistance to new and developing businesses, hosting special programs such as the Ketchikan Marine Industry Council, fostering the Ketchikan Young Professionals Network, and advocating for a sound business climate for Ketchikan and southeast both in Juneau and Washington, D.C.

These activities are self-funded by the Chamber; we rely on very little grant or government money and depend primarily on member dues and fundraisers to function. The Ketchikan Chamber is a very diverse, non-partisan organization, and has truly helped to make a difference in our community. House Bill 18 would help us sustain these efforts and our ability to serve the community despite decreases in State and local funding. In fact, a race classic would likely attract outside money as racers, their family and friends, sports fans, and residents of Port Townsend—the race's community of origin—vie for a chance to win this newest of race classics.

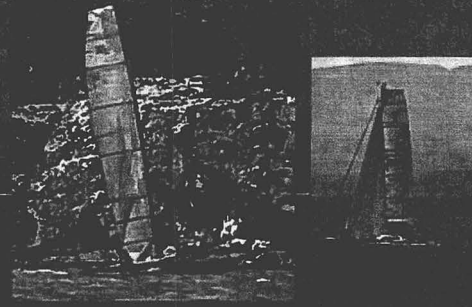
Thank you for your time, and please consider adoption of House Bill 18 as amended.

Regards,

Chelsea Goucher, Vice President  
Greater Ketchikan Chamber of Commerce  
cc. Representative Dan Ortiz



Contact: Bill Swift, Executive Director  
Ketchikan Chamber of Commerce  
E: bill@ketchikanchamber.com  
W: (907) 225-3184



## HB-18:

### Empowering Community Fundraising and Economic Development

## Community Fundraising through the Race to Alaska

In 2015, Ketchikan was surprised to find itself the finishline of an exciting new unpowered boat race, the Race to Alaska, or R2AK. R2AK participants make a 750 mile marine journey from Port Townsend, WA to Ketchikan, AK in unpowered vessels. The first team to finish wins \$10,000. The second team, a set of steak knives!

The Ketchikan Chamber of Commerce is seeking to raise funds for community projects, and increase the excitement surrounding the R2AK, by starting a new community guessing game fundraiser similar to the Nenana Ice Classic. Participants would guess the time the first contestant completes the race, and the person coming closest to the actual time would win a cash prize. The proceeds of this fundraiser would be used by the Ketchikan Chamber of Commerce for special activities such as community projects, economic development programs, helping to grow a new scholarship fund, and more.

HB-18 gives the Ketchikan Chamber of Commerce permission to conduct a community fundraiser of this type, based around the Race to Alaska. After conducting a good deal of research, we have determined that specific legislative authorization is necessary.

**"Classics"** -- A Fun and Common Form of Alaskana. Believe it or not, a great many non-profit entities throughout Alaska have been given permission by the legislature to conduct fundraisers of this type. There are currently race classics, dog mushers' classics, rain classics, fish derbies, moose derbies, and even goose and canned salmon classics. The Chamber of Commerces for Juneau, Fairbanks, Seward, and numerous other communities have received legislative approvals for similar fundraisers.

## Benefits of Fundraiser "Classics" to Alaskans

- Help provide a new source of revenue for community projects which otherwise would not be present.
- Support community and economic development
- Helps get Alaskans excited about contributing to community projects and initiatives
- Does not cost the State anything, but creates a new source of funding community initiatives!
- A form of traditional Alaskana which adds to the fun and excitement of the event!

**Thank you for your consideration.** We know the legislature has very challenging decisions ahead, and appreciate your time considering what we hope is a non-controversial administrative matter.





**Seward Chamber of Commerce  
Conference and Visitors Bureau**

---

2 February 2017

Dear Representative Sam Kito,

My name is Cindy Clock, I am the Executive Director for the Seward Chamber of Commerce, CVB.

The beloved Mount Marathon Race® is 90 years old this July 4<sup>th</sup>. While at one time the race was considered a "classic", it no longer is. We haven't had wagers on winning times since about 2006.

I support removing the language in State Statute that limits race classics to the Mt. Marathon Race Classic.

Please feel free to contact me with any questions you might have.  
Good luck and thank you for your service to the great state of Alaska!

Sincerely,

*Cindy Clock*

Cindy Clock, IOM  
PO Box 749  
Seward, AK 99664

907 224-8051  
[director@seward.com](mailto:director@seward.com)