



Sectional Analysis version S  
House Bill 200 – Gaming; Electronic Pull-Tabs

**Section 1:** Amends the examination of books and records in AS 05.15.070 to include electronic pull-tab systems.

**Section 2:** Adds AS 05.15.083(c) to include reporting requirement changes for operators who conduct gaming activity for more than one permittee in the same location.

**Section 3:** Amends AS 05.15.115(c) to include electronic pull-tab systems in the list of different types of activities under this section.

**Section 4:** Amends AS 05.15.122 to allow an operator licensed under this section to conduct electronic pull-tab activities on behalf of a municipality or qualified organization if they have a separate electronic pull-tab endorsement to their operating license. Includes conditions on the Department of Revenue issuing the endorsement.

**Section 5:** Amends AS 05.15.180(a) to clarify the authority of the Department of Revenue to authorize and regulate the use of electronic pull-tabs in the state.

**Section 6:** Amends AS 05.15.180(b) to include electronic pull-tab systems as an allowable activity under this chapter.

**Section 7:** Amends AS 05.15.180(g) for the prize limits for permittees that contract with an operator to a maximum of \$3,000,000 in prizes each year for electronic pull-tab activities and a maximum of \$2,000,000 in prizes each year for other gaming activities.

**Section 8:** Amends AS 05.15.181(a) to include electronic pull-tab systems as required to be licensed by the Department.

**Section 9:** Amends AS 05.15.181(c) to include an encryption requirement for pull-tabs and remove the required to for a serial number issued by the National Association of Fundraising Ticket Manufacturers or other label.

**Section 10:** Amends AS 05.15.181(d) to allow pull-tab manufacturers the ability to distribute electronic pull-tab systems to distributors. Adds clarification that a pull-tab manufacturer may only distribute to a distributor with a separate electronic pull-tab endorsement.

**Section 11:** Adds AS 05.15.181(f)-(j) to require a specific electronic pull-tab endorsement for manufacturers; provisions for the security and encryption of electronic pull-tabs; and requiring the submission of electronic pull-tabs and pull-tab systems for independent testing and certification. Adds limitations to what an electronic pull-tab system may or may not include.

**Section 12:** Amends AS 05.15.183(a) to require a pull-tab distributor license in order to distribute electronic pull-tab systems. Clarifies that the department may not issue a pull-tab distributor license to an operator or conducts activity under this chapter on behalf of a municipality or a qualified organization.

**Section 13:** Amends AS 05.15.183(c) to require electronic pull-tab systems to be distributed from a location in the state.

**Section 14:** Amends AS 05.15.181(e) to allow pull-tab distributors to deliver the electronic pull-tabs series information to a vendor's location.

**Section 15:** Adds AS 05.15.183 (f)-(g) to require an electronic pull-tab endorsement for a licensed distributor.

**Section 16:** Amends AS 05.15.185 to include an encryption requirement for electronic pull-tabs and remove the requirement for a serial number to be issued by the National Association of Fundraising Ticket Manufacturers or other serial number label.

**Section 17:** Adds AS 05.15.185(b)-(c) to include specific requirements for electronic pull-tabs series:

- Have a predetermined and finite number of winning and non-winning tickets.
- Have a predetermined prize amount and structure.
- Have a unique serial number that is not regenerated.
- A series may not exceed 15,000 tickets.

**Section 18:** Amends AS 05.15.187(e) to include language so that a person under the age of 21 cannot access or redeem a pull-tab.

**Section 19:** Amends AS 05.15.187(i) to include credit vouchers as needing a signed receipt for a person receiving a prize over \$50.

**Section 20:** Adds AS 05.15.187(j)-(m) to include restrictions on the electronic pull-tab devices:

- A vendor may not have more than five electronic pull tab devices on premises.
- An operator may not have more than ten electronic pull tab devices on premises.

- A municipality, qualified organization, or multiple-beneficiary permittee may not have more than ten electronic pull tab devices on premises.

**Section 21:** Amends AS 05.15.188(g) to include an electronic pull-tab distributor as authorized to supply a pull-tab series to a registered vendor.

**Section 22:** Amends AS 05.15.188(i) for electronic pull-tab series to be paid an amount equal to the adjusted gross receipts less the compensation owed to the vendor instead of the ideal net less compensation. Includes electronic fund transfer as an option to pay vendors the ideal net or adjusted gross receipts less compensation owed to the vendor.

**Section 23:** Adds AS 05.15.188(l) to prohibit the Department from registering a vendor who is otherwise barred under AS 05.15.105

**Section 24:** Adds AS 05.15.680(c) to include an additional civil penalty for a violation of this chapter between \$5,000 and \$25,000 for each device, payable to the municipality in which the device is located.

**Section 25:** Amends AS 05.15.690(39) to include language in the definition of a “pull-tab” electronic representation of a card.

**Section 26:** Amends AS 05.15.690(46) to include language in the definition of a “series” electronic pull-tabs that have a unique serial number.

**Section 27:** Adds AS 05.15.690(51) to define “credit voucher”, (52) to define “electronic pull-tab device”, and (53) to define “electronic pull-tab system”.