



Sectional Analysis Senate Bill 146 – 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: 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 3: Amends AS 05.15.180(b) to include electronic pull-tab systems as an allowable activity under this chapter.

Section 4: Amends AS 05.15.180(g) for the prize limits for permittees that contract with an operator to a maximum of \$2,000,000 in prizes each year for electronic pull-tab activities and a maximum of \$1,000,000 in prizes each year for other gaming activities.

Section 5: Amends AS 05.15.181(a) to include electronic pull-tab systems as required to be licensed by the Department.

Section 6: 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 7: Amends AS 05.15.181(d) to allow pull-tab manufacturers the ability to distribute electronic pull-tab systems.

Section 8: Adds AS 05.15.181(f)-(j) to require a specific electronic pull-tab endorsement for manufacturers and distributors; 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.

Section 9: Amends AS 05.15.183(a) to require a pull-tab distributor license in order distribute electronic pull-tab systems.

Section 10: Amends AS 05.15.183(c) to require electronic pull-tab systems to be distributed from a location in the state.

Section 11: 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 12: Adds AS 05.15.181(f)-(g) to require an electronic pull-tab endorsement for a licensed distributor.

Section 13: Amends AS 05.15.185 to include an encryption requirement for electronic pull-tabs and remove the required to for a serial number issued by the National Association of Fundraising Ticket Manufacturers or other label.

Section 14: 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 15: 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 16: 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.
- May only accept U.S. currency in paper form, purchased credits, or a credit voucher.
- May not mimic a slot machine.
- May not dispense anything of value other than a credit voucher.

Section 17: Amends AS 05.15.188(i) to include electronic fund transfer as an option to pay vendors the ideal net less compensation owed to the vendor.

Section 18: Adds AS 05.15.188(l) to prohibit the Department from registering a vendor who is otherwise barred under AS 05.15.105

Section 19: Amends AS 05.15.690(38) to include language in the definition of a "pull-tab" electronic representation of a card.

Section 20: Amends AS 05.15.690(45) to include language in the definition of a "series" electronic pull-tabs that have a unique serial number.

Section 21: Adds AS 05.15.690(50) to define "electronic pull-tab system".