

Dear Senators,

We are writing to you in support of SB 77. We believe that Alaskan licensed charitable gaming operators, MBP's and permittees should be allowed to continue to sell raffle and lottery tickets online. Our primary concern is the potential for the unintended expansion of electronic/online gaming. Our state currently benefits from tightly regulated and extremely restricted allowed charitable gaming - and as a result, our community benefits in many ways without the dangers of predatory gambling enticements.

Currently charitable gaming sales are allowed only for physical tickets sold by qualified licensed charitable gaming permittees, operators and MBP's in qualified and registered locations in Alaska; and not for computer generated randomized raffles and lotteries.

This suggested verbiage, "A permittee may draw winning tickets online" (Line8/9) may be broadly interpreted and lead to unintended consequences. In addition, it should include charitable gaming operators and MBPs. We kindly suggest that that more specific language is appropriate, "a permittee, an operator, or the holder of a multiple-beneficiary permit may draw the physical winning ticket(s) online."

In summary, we are not opposed to the sales of raffle/lottery tickets online. We are very concerned that the language adopted in SB 77 must be very specific so that it does not unintentionally open the door to outside predatory gambling interests, or legitimize the current illegal operations that are doing business "for profit only" using electronic means outside of Charitable Gaming. The practices currently defined in the State of Alaska Charitable Gaming Statutes and Regulations for the drawing of raffles/lottery tickets has been working for local Alaskan charitable gaming permit holders for decades and has provided a safe and effective non-predatory type of charitable gaming and any additional verbiage should specifically exclude electronic, digital or computer generated tickets or specifically limit tickets to physical stubs.

Current State of Alaska Charitable Gaming Statutes and Regulations are in bold below.

15 AAC 160.640 Raffle tickets

(a) Raffle tickets must be consecutively numbered and must have a numbered, detachable stub for purposes of the drawing at the conclusion of raffle ticket sales.

This regulation clearly requires a physical, paper detachable stub. An ambiguous change to statutes would open up the doors to unwanted, predatory gambling enticements and interests.

(c) A permittee or operator conducting a raffle shall disclose the raffle procedures, prizes, and the price collected from a player either on a pamphlet or similar document given to a player at the time of sale, or on the face of the raffle ticket.

Charitable Gaming regulations currently do not require limitations the number of tickets available for purchase, although permittees may choose to limit the number as it can be a valuable marketing tool, especially with higher priced tickets, such as the Iditarod raffle tickets. They sell for \$100 each and have a limited number of tickets available. On the other hand, it would not benefit the Nenana Ice Classics to limit the number of tickets sold since the grand prize is based on total sales and increases with more tickets purchased.

15 AAC 160.650. Raffle drawings

(b) Before a raffle drawing, the permittee or operator shall place the detachable stubs of all raffle tickets sold into a receptacle that is designed so that each stub placed within it has an equal opportunity of being drawn.

(c) The permittee or operator shall draw the detachable stub in a manner that is clearly visible to the gaming public.

(d) A raffle drawing must determine a winning detachable stub for each prize offered.

This regulation clearly defines the manner in which a raffle drawing must be conducted and again references that detachable stubs are required.

Regulation goes even further to outline how winners are determined in 15 AAC 160.652. Special-draw raffles and 15 AAC 160.656. Raffle variations. Classics, contest and derbies are also addressed in separate regulations.

Sec. 05.15.690. Definitions.

(41) "raffle and lottery" means the selling of rights to participate and the awarding of prizes in a game of chance conducted by the drawing for prizes by lot;

"By lot" requires the printing of physical tickets which must be drawn from a barrel which is clearly defined and outlined by State Gaming Regulation 15 AAC 160.650.

We would like an opportunity to testify on Monday, April 26th during the Senate Labor & Commerce Committee meeting.

Thank you,

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