

CS FOR HOUSE BILL NO. 307(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 2/21/96

Referred: Rules

Sponsor(s): REPRESENTATIVES TOOHEY, James, Martin, Rokeberg, Kohring

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to accounting for charitable gaming proceeds; providing that a
2 political use is not an authorized use of charitable gaming proceeds; prohibiting
3 the contribution of charitable gaming proceeds to candidates for certain public
4 offices, their campaign organizations, or to political groups; providing that a
5 political group is not a qualified organization for purposes of charitable gaming;
6 and providing for an effective date."

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

8 * **Section 1.** AS 05.15.060(a) is amended to read:

9 (a) The department shall adopt regulations under AS 44.62 (Administrative
10 Procedure Act) necessary to carry out this chapter covering, but not limited to,

11 (1) the issuance, renewal, and revocation of permits, licenses, and
12 vendor registrations;

13 (2) a method of ascertaining net proceeds, the determination of items

1 of expense that may be incurred or paid, and the limitation of the amount of the items
2 of expense to prevent the proceeds from the activity permitted from being diverted to
3 noncharitable, noneducational, nonreligious, or profit-making organizations, individuals,
4 or groups;

5 (3) the immediate revocation of permits, licenses, and vendor
6 registrations authorized under this chapter if this chapter or regulations adopted under
7 it are violated;

8 (4) the requiring of detailed, sworn, financial reports of operations from
9 permittees and licensees including detailed statements of receipts and payments;

10 (5) the investigation of permittees, licensees, registered vendors, and
11 their employees, including the fingerprinting of those permittees, licensees, registered
12 vendors, and employees whom the department considers it advisable to fingerprint;

13 (6) the method and manner of conducting authorized activities and
14 awarding of prizes or awards, and the equipment that may be used;

15 (7) the number of activities that may be held, operated, or conducted
16 under a permit during a specified period; however, the department may not allow more
17 than 14 bingo sessions a month and 35 bingo games a session to be conducted under
18 a permit; the holders of a multiple-beneficiary permit under AS 05.15.100(d) may hold,
19 operate, or conduct the number of sessions and games a month equal to the number
20 allowed an individual permittee per month multiplied by the number of holders of the
21 multiple-beneficiary permit;

22 (8) a method of accounting for receipts and disbursements by operators,
23 including the keeping of records and requirements for the deposit of all receipts in a
24 bank;

25 (9) the disposition of funds in possession of a permittee, a person,
26 municipality, or qualified organization that possesses an operator's license, or a
27 registered vendor at the time a permit, a license, or a vendor registration is
28 surrendered, revoked, or invalidated;

29 (10) restrictions on the participation by employees of the Department
30 of Fish and Game in salmon classics; and in king salmon classics, and by employees
31 of Douglas Island Pink and Chum in king salmon classics;

1 (11) the identification of all accounts that charitable gaming
2 proceeds are transferred into by permittees and providing for access by the
3 department to those accounts to ensure that proceeds are not diverted or
4 transferred to any purpose or use not permitted by this chapter;

5 (12) other matters the department considers necessary to carry out this
6 chapter or protect the best interest of the public.

7 * **Sec. 2.** AS 05.15.150(a) is amended to read:

8 (a) The authority to conduct the activity authorized by this chapter is
9 contingent upon the dedication of the net proceeds of the charitable gaming activity
10 to the awarding of prizes to contestants or participants and to [POLITICAL,]
11 educational, civic, public, charitable, patriotic, or religious uses in the state.
12 "**Educational** [POLITICAL, EDUCATIONAL], civic, public, charitable, patriotic, or
13 religious uses" means uses benefiting persons either by bringing them under the
14 influence of education or religion or relieving them from disease, suffering, or
15 constraint, or by assisting them in establishing themselves in life, or by providing for
16 the promotion of the welfare and well-being of the membership of the organization
17 within their own community, [OR THROUGH AIDING CANDIDATES FOR PUBLIC
18 OFFICE OR GROUPS THAT SUPPORT CANDIDATES FOR PUBLIC OFFICE,] or
19 by erecting or maintaining public buildings or works, or lessening the burden on
20 government, but does not include

21 (1) the direct or indirect

22 (A) payment of any portion of the net proceeds of a bingo or
23 pull-tab game to a lobbyist registered under AS 24.45;

24 (B) contribution of any portion of the net proceeds of a
25 charitable gaming activity to

26 (i) a candidate for a public office of the state or a
27 political subdivision of the state or to the candidate's campaign
28 organization;

29 (ii) a political party as defined under AS 15.60;

30 (iii) an organization or club organized under or
31 formally affiliated with a political party;

1 (iv) a political group as defined under AS 15.60; or
2 (v) a group as defined under AS 15.13.130, including
3 a group that seeks to influence the opinions of voters concerning the
4 election of a candidate for public office, a constitutional
5 amendment, an initiative, or another ballot measure; or

6 (2) the erection, acquisition, improvement, maintenance, or repair of
7 real, personal, or mixed property unless it is used exclusively for one or more of the
8 permitted uses.

9 * **Sec. 3.** AS 05.15.690(36) is amended to read:

10 (36) "qualified organization" means a bona fide civic or service
11 organization or a bona fide religious, charitable, fraternal, veterans, labor,
12 [POLITICAL,] or educational organization, police or fire department and company,
13 dog mushers' association, outboard motor association, or fishing derby or nonprofit
14 trade association in the state, that operates without profits to its members and that has
15 been in existence continually for a period of three years immediately before applying
16 for a license; the organization may be a firm, corporation, company, association, or
17 partnership;

18 * **Sec. 4.** AS 05.15.690(34) is repealed.

19 * **Sec. 5.** This Act takes effect January 1, 1997.