

**HOUSE BILL NO. 310**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES MOSES, Finkelstein

Introduced: 4/18/95

Referred: Transportation, Judiciary, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act allowing video gaming devices on state ferries."

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

3 \* **Section 1.** AS 11.66.280(2) is amended to read:

4 (2) "gambling" means that a person stakes or risks something of value  
5 upon the outcome of a contest of chance or a future contingent event not under the  
6 person's control or influence, upon an agreement or understanding that that person or  
7 someone else will receive something of value in the event of a certain outcome;  
8 "gambling" does not include

9 (A) bona fide business transactions valid under the law of  
10 contracts for the purchase or sale at a future date of securities or commodities  
11 and agreements to compensate for loss caused by the happening of chance,  
12 including contracts of indemnity or guaranty and life, health, or accident  
13 insurance; [OR]

14 (B) playing an amusement device that

15 (i) confers only an immediate right of replay not

1 exchangeable for something of value other than the privilege of  
2 immediate replay; and

3 (ii) does not contain a method or device by which the  
4 privilege of immediate replay may be cancelled or revoked; or

5 (C) an activity authorized by the Department of Revenue under  
6 AS 05.15 or AS 19.65.030;

7 \* **Sec. 2.** AS 11.66.280(3) is amended to read:

8 (3) "gambling device" means any device, machine, paraphernalia, or  
9 equipment that is used or usable in the playing phases of unlawful gambling, whether  
10 it consists of gambling between persons or gambling by a person involving the playing  
11 of a machine; "gambling device" does not include

12 (A) lottery tickets, policy slips, or other items used in the  
13 playing phases of lottery or policy schemes; [OR]

14 (B) an amusement device as described in (2)(B) of this section;

15 or

16 (C) a video gaming device authorized by the Department of  
17 Revenue under AS 19.65.030;

18 \* **Sec. 3.** AS 11.66.280(4) is amended to read:

19 (4) "gambling enterprise" means a gambling business that

20 (A) includes five or more persons who conduct, finance,  
21 manage, supervise, direct, or own all or part of the business;

22 (B) has been or remains in substantially continuous operation  
23 for a period in excess of 30 days or has a gross income of \$2,000 or more in  
24 any single day; and

25 (C) is not

26 (i) a vessel of the Alaska marine highway system or  
27 the Department of Transportation and Public Facilities when they  
28 are lawfully conducting an activity licensed under AS 19.65.030; or

29 (ii) a municipality or a qualified organization under  
30 AS 05.15.690, except that, for purposes of this subparagraph  
31 [PARAGRAPH], no application for a license under AS 05.15 is

1 required to be considered a qualified organization;

2 \* **Sec. 4.** AS 19.65 is amended by adding new sections to article 1 to read:

3 Sec. 19.65.030. VIDEO GAMING DEVICES AUTHORIZED. (a) The  
4 Department of Revenue may license a vessel of the Alaska marine highway system to  
5 operate video gaming devices in a portion of the vessel that persons under 21 years of  
6 age are prohibited from entering.

7 (b) A license issued under (a) of this section is not valid when the vessel is  
8 in a jurisdiction outside of the state unless that jurisdiction also allows the licensed  
9 activity.

10 (c) The Department of Transportation and Public Facilities shall operate video  
11 gaming devices aboard a vessel of the Alaska marine highway system licensed under  
12 (a) of this section or may contract for their operation under AS 36.30.

13 (d) The commissioner of revenue may adopt regulations under AS 44.62  
14 (Administrative Procedure Act) to implement this section.

15 Sec. 19.65.035. PROHIBITIONS ON GAMING DEVICE OPERATION;  
16 PENALTIES. (a) An employee of the Alaska marine highway system or of a  
17 contractor under AS 19.65.030(c) may not with criminal negligence allow a person  
18 under 21 years of age to use a video gaming device authorized under AS 19.65.030.  
19 A person under 21 years of age may not use a video gaming device authorized under  
20 AS 19.65.030. In this subsection, "criminal negligence" has the meaning given in  
21 AS 11.81.900.

22 (b) A person may not manipulate or attempt to manipulate the outcome or  
23 payoff of a video gaming device authorized under AS 19.65.030 by physically  
24 tampering or otherwise interfering with the proper functioning of the device.

25 (c) Violation of this section is a class A misdemeanor.

26 Sec. 19.65.040. DEFINITION FOR AS 19.65.030 - 19.65.040. In  
27 AS 19.65.030 - 19.65.040, "video gaming device" means an electronic video game  
28 machine that upon insertion of cash or coin is able to play or simulate the play of a  
29 video game, including video poker, keno, or blackjack, authorized by the Department  
30 of Revenue using a video display and microprocessors in which, by chance, the player  
31 may receive free games or credits that can be redeemed for cash; "video gaming

**1** device" does not include a machine that directly dispenses coins or cash.