

**SENATE BILL NO. 273**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 2/2/98

Referred: Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act requiring that gross receipts and ideal gross be used to account for  
2 charitable gaming activities; requiring municipalities to provide to the state records  
3 concerning sales taxes assessed for charitable gaming activities; requiring that a  
4 charitable share of charitable gaming receipts be dedicated to charitable uses;  
5 relating to reports required for charitable gaming activities; relating to payments  
6 to the state from gross receipts of charitable gaming; relating to contracts between  
7 operators or vendors and permittees; relating to licensing of multiple-beneficiary  
8 permittees and to the duties of a multiple-beneficiary permittee to each holder of  
9 the permit; requiring a person employed as a gaming manager to be certified by  
10 the state; limiting the expenditure of amounts of gross receipts and ideal gross  
11 required to be paid to permittees or retained by permittees; relating to the  
12 amount of gross receipts and prizes allowed under a permit or a multiple-

1 beneficiary permit; allowing operators to pool gross receipts, prizes, and door  
 2 prizes among permittees; and providing for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 \* Section 1. AS 05.15.020(b) is repealed and reenacted to read:

5 (b) In addition to the fee provided in (c) of this section, each municipality or  
 6 qualified organization that has gross receipts of \$20,000 or more from an authorized  
 7 activity shall annually pay to the department one-tenth of one percent of the gross  
 8 receipts received during the preceding year from that authorized activity.

9 \* Sec. 2. AS 05.15.060(a) is amended to read:

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

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

14 (2) a method of **accounting for gross receipts from activities**  
 15 **conducted by a municipality or qualified organization or an operator and of**  
 16 **assuring that payments due to permittees, the holders of a multiple-beneficiary**  
 17 **permit, and the department are made at the times and in the amounts or**  
 18 **percentages required** [ASCERTAINING NET PROCEEDS, THE DETERMINATION  
 19 OF ITEMS OF EXPENSE THAT MAY BE INCURRED OR PAID, AND THE  
 20 LIMITATION OF THE AMOUNT OF THE ITEMS OF EXPENSE] to prevent the  
 21 proceeds from the activity permitted from being diverted to noncharitable,  
 22 noneducational, nonreligious, or profit-making organizations, individuals, or groups;

23 (3) the immediate revocation of permits, **certificates**, licenses, and  
 24 vendor registrations authorized under this chapter if this chapter or regulations adopted  
 25 under it are violated;

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

28 (5) the investigation of permittees, **gaming managers**, licensees,  
 29 registered vendors, and their employees, including the fingerprinting of those  
 30 permittees, **gaming managers**, licensees, registered vendors, and employees whom the

1 department considers it advisable to fingerprint;

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

4 (7) the number of activities that may be held, operated, or conducted  
5 under a permit during a specified period; however, the department may not allow more  
6 than 14 bingo sessions a month and 35 bingo games a session to be conducted under  
7 a permit; the holders of a multiple-beneficiary permit under AS 05.15.100(d) may hold,  
8 operate, or conduct the number of sessions and games a month equal to the number  
9 allowed an individual permittee per month multiplied by the number of **municipalities**  
10 **and qualified organizations that hold** [HOLDERS OF] the multiple-beneficiary  
11 permit;

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

15 (9) the disposition of funds in possession of a permittee, **a gaming**  
16 **manager**, a person, municipality, or qualified organization that possesses an operator's  
17 license, or a registered vendor at the time a permit, **a certificate**, a license, or a vendor  
18 registration is surrendered, revoked, or invalidated;

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

22 (11) other matters the department considers necessary to carry out this  
23 chapter or protect the best interest of the public.

24 \* **Sec. 3.** AS 05.15.070 is amended to read:

25 **Sec. 05.15.070. Examination of books and records; access to municipal**  
26 **sales tax records.** The department may examine or have examined the books and  
27 records of a permittee, an operator, a registered vendor, **a gaming manager**, or a  
28 person licensed to manufacture or to distribute pull-tab games in the state. The  
29 department may issue subpoenas for the attendance of witnesses and the production of  
30 books, records, and other documents.

31 \* **Sec. 4.** AS 05.15.070 is amended by adding a new subsection to read:

1 (b) A municipality that levies a sales tax on a permittee, an operator, or a  
 2 registered vendor for activities conducted or allowed under this chapter shall provide  
 3 the department with information concerning the levy, assessment, and collection of the  
 4 sales tax when requested by the department.

5 \* **Sec. 5.** AS 05.15.080 is amended to read:

6 **Sec. 05.15.080. Reports and fees required of municipalities and qualified**  
 7 **organizations.** (a) A municipality or a qualified organization issued a permit under  
 8 this chapter shall file a report with the department by the 45th day following each  
 9 calendar quarter in which the permittee had gross receipts of \$50,000 or more from  
 10 activities authorized under this chapter. The report must include the type of activity  
 11 conducted, the dates [DATE] and locations [LOCATION] of the activities  
 12 [ACTIVITY], the amount of gross receipts from each activity [, THE AMOUNT OF  
 13 AUTHORIZED EXPENSES], the value of prizes awarded for each activity [, THE  
 14 AMOUNT OF NET PROCEEDS], and other information the department may require.  
 15 However, if the only activity conducted by a municipality or qualified organization  
 16 during a calendar quarter is a raffle and [OR] lottery, then the municipality or  
 17 qualified organization is not required to file a report under this subsection until the  
 18 raffle and [OR] lottery is completed.

19 (b) A municipality or a qualified organization issued a permit under this  
 20 chapter shall file an annual report with the department by March 15 of the year  
 21 following the year in which activities were conducted, accompanied by the payment  
 22 of the additional fee, as may be required under AS 05.15.020(b). The report must list  
 23 the types of activities conducted, and, for each activity, the total amount of gross  
 24 receipts, [THE TOTAL AMOUNT OF AUTHORIZED EXPENSES,] the total value  
 25 of prizes awarded, and the total amount of the charitable share [NET PROCEEDS].

26 \* **Sec. 6.** AS 05.15.083 is amended to read:

27 **Sec. 05.15.083. Reports to department by operators.** (a) An operator shall  
 28 file a report with the department by the last business day of the month following each  
 29 calendar quarter in which an activity was conducted. The report must include, on a  
 30 monthly basis, for each authorizing permittee on whose behalf an activity was  
 31 conducted during the quarter, the date and location of each activity, the type of activity

1 conducted, the amount of gross receipts **from each activity** [, THE AMOUNT OF  
 2 AUTHORIZED EXPENSES], the value of prizes awarded **for each activity**, the  
 3 amount of **the charitable share** [NET PROCEEDS] paid **to the permittee from each**  
 4 **activity**, and other information the department may require; a completed Internal  
 5 Revenue Service Form 941; and a copy of the operator's employer contributions and  
 6 wage reports submitted to the Department of Labor for the quarter. However, if the  
 7 only activity conducted by an operator during the calendar quarter is a raffle **and** [OR]  
 8 lottery, then the operator is not required to file a report under this subsection until the  
 9 raffle **and** [OR] lottery is completed.

10 (b) An operator shall file an annual report with the department no later than  
 11 February 28 of the year following the year in which activities were conducted. The  
 12 report must include, for each authorizing permittee on whose behalf an activity was  
 13 conducted, the types of activities conducted, the total amount of gross receipts **from**  
 14 **each activity conducted** [, THE TOTAL AMOUNT OF AUTHORIZED EXPENSES],  
 15 the total value of prizes awarded **for each activity**, and the total amount of **the**  
 16 **charitable share from each activity** [NET PROCEEDS] paid to each authorizing  
 17 permittee. The annual report must also include a completed Internal Revenue Service  
 18 Form W-2 for each person employed by the operator during the preceding year.

19 \* **Sec. 7.** AS 05.15.083 is amended by adding a new subsection to read:

20 (c) An operator shall deliver to each authorizing permittee a copy of the  
 21 reports required under this section and shall certify on the report to the department that  
 22 delivery has been made to the permittee.

23 \* **Sec. 8.** AS 05.15.087(a) is repealed and reenacted to read:

24 (a) An operator shall pay the charitable share due to an authorizing permittee  
 25 by the 15th day of the month following the month in which the operator conducted an  
 26 activity on behalf of the permittee.

27 \* **Sec. 9.** AS 05.15.105(a) is amended to read:

28 (a) If a person has been convicted of a violation of a law of this state that is,  
 29 or a law or ordinance of another jurisdiction that would be if it had been committed  
 30 in this state, a felony, or a violation of a law or ordinance of this state or another  
 31 jurisdiction that is a crime involving theft or dishonesty or a violation of gambling

1 laws,

2 (1) the department may not issue a license to the person;

3 (2) the department may not issue a license to, or register as a vendor,  
4 an applicant who employs the person **as a gaming manager or** in a managerial or  
5 supervisory capacity or uses the person as a fund raiser or consultant;

6 (3) the department may not issue a permit for an activity if the person  
7 is responsible for the operation of the activity;

8 (4) the person may not be employed **as a gaming manager or** in a  
9 managerial or supervisory capacity by a licensee or vendor or used as a fund raiser or  
10 consultant by a licensee or vendor;

11 (5) the person may not participate in charitable gaming as a permittee,  
12 **gaming manager,** licensee, or vendor;

13 **(6) the person may not be certified as a gaming manager.**

14 \* **Sec. 10.** AS 05.15 is amended by adding a new section to read:

15 **Sec. 05.15.114. Gaming manager.** (a) A permittee may not employ, contract  
16 with, or in any way engage a person to act as a gaming manager unless the person is  
17 certified by the department as a gaming manager. A person may not act as a gaming  
18 manager unless the person is certified by the department as a gaming manager.

19 (b) The department may certify a person as a gaming manager if the person

20 (1) applies under oath on a form provided by the department;

21 (2) pays the annual fee of \$50; and

22 (3) has passed a test formulated by the department on the contents of  
23 this chapter and the regulations adopted under this chapter.

24 \* **Sec. 11.** AS 05.15.115(b) is amended to read:

25 (b) The contract between an authorizing permittee and an operator must  
26 include [THE AMOUNT AND FORM OF COMPENSATION TO BE PAID TO THE  
27 OPERATOR,] the term of the contract, the activities to be conducted by the operator  
28 on behalf of the permittee, the location where the activities are to be conducted, the  
29 name and address of the member in charge, and other provisions the department may  
30 require. **The contract may not contain a provision that requires the authorizing**  
31 **permittee to pay to the operator, whether from gaming receipts or proceeds or**

1 from other separate funds of the permittee, an amount that would result in the  
 2 permittee realizing less from the gaming activity than the minimum charitable  
 3 share required to be paid to a permittee under this chapter.

4 \* Sec. 12. AS 05.15.115(d) is amended to read:

5 (d) A permittee shall submit by certified mail to the department for review  
 6 [APPROVAL] a copy of each contract with an operator with whom the permittee  
 7 contracts to conduct activities subject to this chapter. The contract must meet the  
 8 requirements of this section. If the contract does not meet the requirements of this  
 9 section or contains provisions that violate this chapter or the regulations adopted  
 10 under it, the [THE] department shall declare [APPROVE OR DISAPPROVE] the  
 11 contract void, and may suspend or revoke the license of the operator and the  
 12 permit of the permittee. Any changes to a contract must be submitted to the  
 13 department for review under this section [. IF THE CONTRACT IS  
 14 DISAPPROVED, REASONS FOR THE DISAPPROVAL SHALL BE PROVIDED IN  
 15 WRITING TO THE PERMITTEE. ACTIVITIES MAY NOT BE CONDUCTED  
 16 UNDER THE CONTRACT BEFORE THE CONTRACT IS APPROVED.  
 17 SUBSEQUENT AMENDMENTS TO AN APPROVED CONTRACT DO NOT TAKE  
 18 EFFECT UNTIL THE AMENDMENTS ARE APPROVED BY THE DEPARTMENT].

19 \* Sec. 13. AS 05.15.115 is amended by adding a new subsection to read:

20 (e) An operator that contracts to conduct an activity under this chapter on  
 21 behalf of two or more permittees shall, for each permittee with whom the operator has  
 22 contracted, conduct that activity for at least one month of the permit year.

23 \* Sec. 14. AS 05.15.128(a) is repealed and reenacted to read:

24 (a) The department shall revoke the license of an operator who does not on an  
 25 annual basis pay at least the following minimum charitable shares to each authorizing  
 26 permittee:

- 27 (1) one and one-half percent of the gross receipts from bingo;  
 28 (2) seven percent of the gross receipts from a pull-tab game; and  
 29 (3) 10 percent of the gross receipts from an activity other than bingo  
 30 or pull-tab games.

31 \* Sec. 15. AS 05.15.145(d) is amended to read:

1 (d) The holders of a multiple-beneficiary permit shall jointly file reports with  
 2 the department that comply with the reporting requirements imposed on operators  
 3 under AS 05.15.083. **A multiple-beneficiary permittee shall file with each holder**  
 4 **of the multiple-beneficiary permit quarterly and annual reports that comply and**  
 5 **are consistent with the reporting and payment requirements imposed on operators**  
 6 **under AS 05.15.083 and 05.15.087.**

7 \* **Sec. 16.** AS 05.15.145 is amended by adding a new subsection to read:

8 (e) The department shall revoke a multiple-beneficiary permit if on an annual  
 9 basis at least the following minimum charitable shares are not distributed to the holders  
 10 of the multiple-beneficiary permit:

- 11 (1) one and one-half percent of the gross receipts from bingo;
- 12 (2) seven percent of the gross receipts from pull-tab games; and
- 13 (3) 10 percent of the gross receipts from an activity other than bingo  
 14 or pull-tab games.

15 \* **Sec. 17.** AS 05.15.150 is amended to read:

16 **Sec. 05.15.150. Limitation on use of charitable share [PROCEEDS].** (a)  
 17 The **charitable share that is paid to or retained by a permittee for an**  
 18 **[AUTHORITY TO CONDUCT THE] activity authorized by this chapter may only be**  
 19 **expended by the permittee for** [IS CONTINGENT UPON THE DEDICATION OF  
 20 THE NET PROCEEDS OF THE CHARITABLE GAMING ACTIVITY TO THE  
 21 AWARDING OF PRIZES TO CONTESTANTS OR PARTICIPANTS AND TO]  
 22 political, educational, civic, public, charitable, patriotic, or religious uses in the state.  
 23 "Political, educational, civic, public, charitable, patriotic, or religious uses" means uses  
 24 benefiting persons either by bringing them under the influence of education or religion  
 25 or relieving them from disease, suffering, or constraint, or by assisting them in  
 26 establishing themselves in life, or by providing for the promotion of the welfare and  
 27 well-being of the membership of the organization within their own community, or  
 28 through aiding candidates for public office or groups that support candidates for public  
 29 office, or by erecting or maintaining public buildings or works, or lessening the burden  
 30 on government. **"Political, educational, civic, public, charitable, patriotic, or**  
 31 **religious uses"** [, BUT] does not include

1 (1) the direct or indirect payment of any portion of the **charitable**  
 2 **share paid to or retained by a permittee** [NET PROCEEDS] of a bingo or pull-tab  
 3 game to a lobbyist registered under AS 24.45;

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

7 (3) the direct or indirect payment of any portion of the **charitable**  
 8 **share paid to or retained by a permittee** [NET PROCEEDS] of a charitable gaming  
 9 activity, except the **charitable share** [PROCEEDS] of a raffle and lottery,

10 (A) to aid candidates for public office or groups that support or  
 11 oppose candidates for public office;

12 (B) to a political party or to an organization affiliated with a  
 13 political party; or

14 (C) to a group, as that term is defined in AS 15.13.400, or a  
 15 political group, as that term is defined in AS 15.60, that seeks to influence the  
 16 outcome of an election.

17 (b) The **charitable share** [NET PROCEEDS] derived from the activity must  
 18 be devoted within one year to one or more of the uses stated in (a) of this section. A  
 19 municipality or qualified organization desiring to hold the **charitable share** [NET  
 20 PROCEEDS] for a period longer than one year must apply to the department for  
 21 special permission, and, upon good cause shown, the department may grant the request.

22 \* **Sec. 18.** AS 05.15.150 is amended by adding a new subsection to read:

23 (c) Notwithstanding (a) and (b) of this section, a dog mushers' association may  
 24 elect to apply the charitable share realized from activities conducted under this chapter  
 25 to prizes for contestants in a dog mushers' contest conducted in the following year.

26 \* **Sec. 19.** AS 05.15 is amended by adding a new section to read:

27 **Sec. 05.15.155. Required charitable share from activities conducted by**  
 28 **permittees.** The department shall revoke the permit of a municipality or qualified  
 29 organization that fails on an annual basis to retain at least the following minimum  
 30 charitable shares:

31 (1) one and one-half percent of the gross receipts from bingo;

- 1 (2) seven percent of the  
 2 (A) gross receipts from pull-tab games not conducted by a  
 3 vendor; and  
 4 (B) ideal gross from pull-tab games conducted by a vendor; and  
 5 (3) 10 percent of the gross receipts from an activity other than bingo  
 6 or pull-tab games.

7 \* **Sec. 20.** AS 05.15.165(a) is amended to read:

8 (a) An operator shall pay the charitable share [NET PROCEEDS] to the  
 9 authorizing permittee by check.

10 \* **Sec. 21.** AS 05.15.165(f) is amended to read:

11 (f) An operator may not

12 (1) charge losses resulting from bad checks or uncollectible debts  
 13 against the gross receipts from the activity or against the charitable share [NET  
 14 PROCEEDS] due to the authorizing permittee;

15 (2) extend credit to players;

16 (3) employ house players;

17 (4) allow the operator's employees to play a game conducted by the  
 18 operator at the location where the employee works for the operator.

19 \* **Sec. 22.** AS 05.15 is amended by adding a new section to read:

20 **Sec. 05.15.166. Pooling of gross receipts, prizes, and door prizes.** (a) An  
 21 operator that conducts bingo, pull-tab, or other games under this chapter on behalf of  
 22 two or more permittees may monthly allocate the gross receipts and the total value of  
 23 the prizes offered or awarded, including the value of door prizes, among all of the  
 24 permittees whose permits are in use during the month in which the games are  
 25 conducted.

26 (b) A multiple-beneficiary permittee that conducts bingo, pull-tab, or other  
 27 games under this chapter may monthly allocate the gross receipts and the total value  
 28 of the prizes offered or awarded, including the value of door prizes, among all of the  
 29 holders of the multiple-beneficiary permit during the month in which the games are  
 30 conducted.

31 (c) An allocation made under

1 (1) (a) of this section shall be based on the number of days of the  
2 month that each permit is in play for each type of gaming activity;

3 (2) (b) of this section must be based on a preexisting written agreement  
4 between the holders of the multiple-beneficiary permit;

5 (3) (a) or (b) of this section must allocate a permittee's gross receipts  
6 at the same rate the total value of the prizes offered or awarded, including the value  
7 of door prizes, is allocated; and

8 (4) (a) or (b) of this section may not result in a permittee exceeding the  
9 prize limitations of AS 05.15.180.

10 \* **Sec. 23.** AS 05.15.167(a) is amended to read:

11 (a) The bond or security filed under AS 05.15.122(b) must be made payable  
12 to the department and must be conditioned upon payment of the amounts due to the  
13 department and payment of **the charitable share** [NET PROCEEDS] due to the  
14 authorizing permittee. If the operator fails to make the required payments, the operator  
15 forfeits the bond or security to the department.

16 \* **Sec. 24.** AS 05.15.167(b) is amended to read:

17 (b) The amount forfeited under (a) of this section shall be first used to satisfy  
18 delinquent fees, interest, and penalties due the department under this chapter. If the  
19 bond or security is not exhausted by payment of delinquent fees, interest, and  
20 penalties, the department may use the remaining amount to pay **the charitable share**  
21 [NET PROCEEDS] due an authorizing permittee. The total amount available for  
22 payment of **the charitable share** [NET PROCEEDS] shall be prorated among the  
23 permittees to whom **charitable shares** [PROCEEDS] are due from that operator.

24 \* **Sec. 25.** AS 05.15.170 is amended to read:

25 **Sec. 05.15.170. Suspension or revocation of permit, certificate, license, or**  
26 **vendor registration.** (a) The department may suspend, for a period of up to one  
27 year, or revoke a permit, **certificate**, license, or vendor registration, after giving notice  
28 to and an opportunity to be heard by the permittee, **gaming manager**, or licensee, if  
29 the permittee, **gaming manager**, licensee, or vendor

30 (1) violates or fails to comply with a requirement of this chapter or of  
31 a regulation adopted under this chapter;

1 (2) breaches a contractual agreement with a permittee, licensee, or  
2 registered vendor;

3 (3) becomes disqualified to participate in charitable gaming as provided  
4 in AS 05.15.105; for the purposes of this paragraph, a permittee, licensee, or vendor  
5 that is not a natural person is considered convicted if an owner or manager of the  
6 permittee, licensee, or vendor is convicted;

7 (4) knowingly submits false information to the department or, in the  
8 case of a registered vendor, to a permittee when the vendor knows that the false  
9 information will be submitted to the department as part of an application for  
10 registration; or

11 (5) gives or acts upon any inside information on the status of the prizes  
12 awarded or to be awarded in a pull-tab game.

13 (b) If the department revokes a

14 (1) license or vendor registration under this section, it may prohibit the  
15 licensee or vendor from reapplying for a license or vendor registration for a period of  
16 not more than five years;

17 (2) [. IF THE DEPARTMENT REVOKES A] permit under this section,  
18 it may prohibit the permittee from reapplying for a permit for a period of not more  
19 than one year;

20 (3) gaming manager certificate, it must revoke the certificate for  
21 a minimum of two years and not more than five years;

22 (4) multiple-beneficiary permit, it may not issue a multiple-  
23 beneficiary permit to a holder of the revoked permit for the two-year period  
24 immediately following the revocation and may refuse to issue a multiple-  
25 beneficiary permit for up to five years following the revocation.

26 \* **Sec. 26.** AS 05.15.180(g) is repealed and reenacted to read:

27 (g) Under this chapter,

28 (1) a permittee may

29 (A) have gross receipts in a calendar year of not more than

30 (i) \$1,200,000 from pull-tab games, except that a  
31 permittee who contracts with an operator may have gross receipts of not

1 more than \$600,000 from pull-tab games;  
 2 (ii) \$750,000 from all charitable gaming activities  
 3 conducted under this chapter other than bingo and pull-tabs;

4 (B) award in a calendar year a maximum of \$840,000 in prizes  
 5 for bingo, except that a permittee who contracts with an operator may award  
 6 in a calendar year a maximum of \$660,000 in prizes for bingo;

7 (2) the holders of a multiple-beneficiary permit may

8 (A) have gross receipts in a calendar year from

9 (i) pull-tab games of not more than \$1,200,000  
 10 multiplied by the number of holders of the multiple-beneficiary permit;

11 (ii) charitable gaming activities other than bingo and  
 12 pull-tab games of not more than \$750,000 multiplied by the number of  
 13 holders of the multiple-beneficiary permit;

14 (B) award prizes in a calendar year for bingo games of a  
 15 maximum of \$840,000 multiplied by the number of holders of the multiple-  
 16 beneficiary permit.

17 \* **Sec. 27.** AS 05.15.188(h) is amended to read:

18 (h) If a permittee contracts with a vendor under (a) of this section, the contract  
 19 must provide that the permittee shall receive no less than **16** [70] percent of the ideal  
 20 **gross** [NET].

21 \* **Sec. 28.** AS 05.15.188(i) is repealed and reenacted to read:

22 (i) The amount required to be paid to the permittee under (h) of this section  
 23 shall be paid by the vendor to the member-in-charge upon delivery of a pull-tab series  
 24 to the vendor for sale. The amount required to be paid by the vendor shall be paid by  
 25 check, and the check may not be drawn in a manner that the payee is not identified.

26 \* **Sec. 29.** AS 05.15.680(b) is amended to read:

27 (b) A person who, with the intent to mislead a public servant in the  
 28 performance of the public servant's duty, submits a false statement in an application  
 29 for a permit, **certificate**, license, or vendor registration under this chapter is guilty of  
 30 unsworn falsification.

31 \* **Sec. 30.** AS 05.15.690(21) is amended to read:

1 (21) "gross receipts" means **the total receipts, excluding local sales**  
2 **taxes collected on the sale of the shares, tickets, or rights, without deducting any**  
3 **prize or expense**, from the sale of shares, tickets, or rights connected with  
4 participation in any activity permitted under this chapter or the right to participate,  
5 including admission, fee or charge, sale of equipment or supplies, and all other  
6 miscellaneous receipts;

7 \* **Sec. 31.** AS 05.15.690(23) is amended to read:

8 (23) "ideal **gross** [NET]" means an amount equal to the total amount  
9 of receipts that would be received if every individual pull-tab ticket in a series were  
10 sold at face value [, LESS THE PRIZES TO BE AWARDED FOR THAT SERIES];

11 \* **Sec. 32.** AS 05.15.690 is amended by adding new paragraphs to read:

12 (46) "charitable share" means the percentage of gross receipts or ideal  
13 gross paid to or retained by a permittee;

14 (47) "gaming manager" means an individual who manages, controls,  
15 or oversees the pull-tab or bingo gaming activities of a permittee and who directly or  
16 indirectly receives compensation in any form for that management, control, or  
17 oversight.

18 \* **Sec. 33.** AS 05.15.087(b), 05.15.087(c), 05.15.160, 05.15.165(b), and 05.15.690(29) are  
19 repealed.

20 \* **Sec. 34.** Notwithstanding sec. 35 of this Act, the Department of Revenue may proceed  
21 to adopt regulations necessary to implement the changes made by this Act. The regulations  
22 take effect under AS 44.62 (Administrative Procedure Act) but not before January 1, 1999.

23 \* **Sec. 35.** Except for sec. 34 of this Act, this Act takes effect January 1, 1999.

24 \* **Sec. 36.** Section 34 of this Act takes effect immediately under AS 01.10.070(c).