

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSSB 59(FIN)
 (S) Publish Date: 3/14/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue 04
 Title Broadcasting Promoting Charitable Gaming RDU Taxation and Treasury
 Component Tax Division
 Sponsor Senator Stevens
 Requester (S) Finance Component No. 2476

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()	*	*	*	*	*	*

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

(see attached)

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 Division Tax Division Date/Time 3/13/07 12:00 AM
 Approved by: Jerry Burnett Date 3/13/2007
 Agency Department of Revenue

ANALYSIS CONTINUATION

This bill will impact charitable gaming in Alaska in two ways: it will allow broadcasting to promote charitable gaming and it will formally authorize a specific cabbage classic. These two changes are addressed separately below:

Broadcasting Promoting Charitable Gaming

Section 4 of this bill would allow a permittee (or operator under contract with an authorizing permittee) to broadcast promotion of a charitable raffle or lottery. The means allowable include radio and television. Anyone who can conduct a raffle would be allowed to promote it by broadcasting via radio or television.

Though the bill language applies to raffles and lotteries, the statutory definition [AS 05.15.690(38)] equates the two, effectively giving two different names to the same activity. Thus, there is no apparent authorization to expand the kinds of gaming activity that can be promoted or conducted.

We do not anticipate any additional costs or revenues as a result of this section of the bill.

Cabbage Classic

Sections 1-3 and section 5 of this bill formally authorize in statute a cabbage classic. A cabbage classic is defined as "a game of chance where a prize of money is awarded for the closest guess of the weight of the winning cabbage at the Giant Cabbage Weigh-Off." This contest would be formally authorized only for the specific cabbage classic operated and administered by the Palmer Rotary Club at the Alaska State Fair in Palmer. There is no authorization to expand gaming activity other than to formally allow this specific cabbage classic.

Since only one specific cabbage classic is authorized, we expect one additional charitable gaming permit. The cost of this annual permit will range from \$20 to \$100 depending on gross receipts of the permittee. Also, assuming gross receipts are at least \$20,000, a small amount of revenue would be collected from the 1% net proceeds fee. Revenues are shown as indeterminate because they would depend on the amount of net proceeds from the cabbage classic.

We anticipate that any additional costs can be absorbed.