

# Fiscal Note

State of Alaska  
2026 Legislative Session

|                     |               |
|---------------------|---------------|
| Bill Version:       | CSSB 170(L&C) |
| Fiscal Note Number: | 1             |
| (S) Publish Date:   | 2/4/2026      |

Identifier: SB170-DOR-TAX-1-23-26  
 Title: GAMING; ELECTRONIC PULL-TABS  
 Sponsor: BJORKMAN  
 Requester: (S)L&C

Department: Department of Revenue  
 Appropriation: Taxation and Treasury  
 Allocation: Tax Division  
 OMB Component Number: 2476

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

|                               | FY2027                  | Included in               | Out-Year Cost Estimates |              |              |              |              |              |
|-------------------------------|-------------------------|---------------------------|-------------------------|--------------|--------------|--------------|--------------|--------------|
|                               | Appropriation Requested | Governor's FY2027 Request | FY 2027                 | FY 2028      | FY 2029      | FY 2030      | FY 2031      | FY 2032      |
| <b>OPERATING EXPENDITURES</b> | <b>FY 2027</b>          | <b>FY 2027</b>            |                         |              |              |              |              |              |
| Personal Services             | 250.0                   |                           | 250.0                   | 250.0        | 250.0        | 250.0        | 250.0        | 250.0        |
| Travel                        | 2.0                     |                           | 2.0                     | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          |
| Services                      | 27.8                    |                           | 27.8                    | 27.8         | 27.8         | 27.8         | 27.8         | 27.8         |
| Commodities                   | 9.0                     |                           |                         |              |              |              | 5.4          |              |
| Capital Outlay                |                         |                           |                         |              |              |              |              |              |
| Grants & Benefits             |                         |                           |                         |              |              |              |              |              |
| Miscellaneous                 |                         |                           |                         |              |              |              |              |              |
| <b>Total Operating</b>        | <b>288.8</b>            | <b>0.0</b>                | <b>279.8</b>            | <b>279.8</b> | <b>279.8</b> | <b>279.8</b> | <b>285.2</b> | <b>279.8</b> |

**Fund Source (Operating Only)**

|                     |              |            |              |              |              |              |              |  |
|---------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--|
| 1004 Gen Fund (UGF) | 288.8        |            |              |              |              |              |              |  |
| 1005 GF/Prgm (DGF)  |              |            | 279.8        | 279.8        | 279.8        | 285.2        | 279.8        |  |
| <b>Total</b>        | <b>288.8</b> | <b>0.0</b> | <b>279.8</b> | <b>279.8</b> | <b>279.8</b> | <b>285.2</b> | <b>279.8</b> |  |

**Positions**

|           |     |  |     |     |     |     |     |     |
|-----------|-----|--|-----|-----|-----|-----|-----|-----|
| Full-time | 2.0 |  | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Part-time |     |  |     |     |     |     |     |     |
| Temporary |     |  |     |     |     |     |     |     |

**Change in Revenues**

|              |            |            |            |            |            |            |            |            |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|
| None         | ***        |            | ***        | ***        | ***        | ***        | ***        | ***        |
| <b>Total</b> | <b>***</b> | <b>0.0</b> | <b>***</b> | <b>***</b> | <b>***</b> | <b>***</b> | <b>***</b> | <b>***</b> |

**Estimated SUPPLEMENTAL (FY2026) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2027) cost:** 0.0 *(separate capital appropriation required)*

**Does the bill create or modify a new fund or account?** No  
*(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
 If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/27

**Why this fiscal note differs from previous version/comments:**

Updated from SLA2025 to SLA2026 fiscal note template. Cost assumptions were also updated based on projected FY2027 data, primarily in personal services.

|              |   |        |                     |
|--------------|---|--------|---------------------|
| Prepared By: | Brandon Spanos, Acting Director                 | Phone: | (907)269-6736       |
| Division:    | Tax Division                                    | Date:  | 01/23/2026 01:00 PM |
| Approved By: | Janelle Earls, Administrative Services Director | Date:  | 01/23/26            |
| Agency:      | Department of Revenue                           |        |                     |

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2026 LEGISLATIVE SESSION

## Analysis

**Background Information**

This bill would allow pull-tab games to be expanded from traditional paper pull-tabs to include electronic pull-tabs or e-tabs. Current statute, AS 05.15.690(38) defines a "pull-tab game" as a game of chance where a card, the face of which is covered to conceal a number, symbol, or set of symbols, is purchased by the participant and where a prize is awarded for a card containing certain numbers or symbols designated in advance and at random. The language of this bill would amend AS 05.15.690(46) to include "electronic pull-tab systems".

This bill also increases the prize limits for permittees who contract with an operator from a maximum of \$500,000 in prizes each year to a maximum of \$4,000,000 in prizes each year for electronic pull-tab activities and a maximum of \$2,000,000 in prizes each year for other gaming activities. The bill changes the minimum age from 21 down to 18.

This bill provides some unique limitations for electronic pull tab systems that the paper pull-tab games do not have:

1. A series may not exceed 15,000 tickets.
2. Electronic pull-tab devices are only allowed on tablets with a screen that is not larger than 13" in width or height.

The Department would need to establish regulations. Regulation completion and timing will be determined based on passage of the legislation.

**Revenue Impact**

An analysis indicates that expanding gaming to e-tabs would generate additional revenue. The analysis used five other states that have implemented e-tabs, and have available data, to prepare scenarios of how pull tab sales will increase with e-tabs in Alaska. Using an average of the other five states, the revenue impact is estimated in the range of \$0.0 to \$5.0 million of additional annual state revenue beginning in the first full year of implementation (FY2028). There are no impacts in FY2027 due to an assumed year-long implementation process.

This estimated revenue is one option in a wide range of uncertainty.

The state revenues from pull-tabs sales consists of these sources:

1. Pull-tab tax of three percent of gross receipts less prizes per pull-tab game
2. Pull-tab manufacturer license fee of \$2,500 per year
3. Pull-tab distributor license fee of \$1,000 per year
4. Pull-tab vendor permit fee of \$50 per year per location, and
5. Net proceeds fee of one percent of net proceeds from a permittee if gross receipts are greater than \$20,000 for all gaming.

The state revenue impacts of the pull-tab tax has averaged about \$3 million per year for the past four years. Total state revenue from gaming was \$2.9 million for FY2025.

**Implementation Cost**

The Charitable Gaming group is a very small group within the Tax Division. This bill would create an added burden on the group that would be beyond their current capacity to meet. In order to provide adequate service and enforcement, the Division would need to add two Tax Auditor 2 positions to support the Charitable Gaming Group, along with travel authority to perform audits, services authority to pay statewide overhead rates, and one-time commodities costs for initial position startup supplies and equipment. Additionally, this legislation would require the department to make changes to its Tax Revenue Management System (TRMS). Resources required to implement this bill would include staff time to updated forms, TRMS, and Revenue Online, and other miscellaneous costs. These costs will be absorbed by the Tax Division using existing resources.