

Introduced: 2/8/78
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY NAKAK

2 *CS SS* HOUSE BILL NO. 751 *AMS*

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing an Iditarod Trail Race Lottery;
7 and providing for an effective date."

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

9 * Section 1. AS 05.15 is amended by adding new sections to read:

10 ARTICLE 4. IDITAROD TRAIL RACE LOTTERY.

11 Sec. 05.15.220. IDITAROD TRAIL RACE LOTTERY AUTHORIZED. The
12 Iditarod Trail Race Lottery Commission is authorized to conduct an
13 annual lottery the net proceeds of which are to be used exclusively for
14 purposes which the commission determines will further the success of the
15 Iditarod Trail Race. Net proceeds of a given year may be retained for
16 use in subsequent years, but if the unexpended and unobligated total
17 assets from lottery proceeds exceed \$250,000, the amount over \$250,000
18 shall be paid into the general treasury of the state.

19 Sec. 05.15.230. IDITAROD TRAIL RACE LOTTERY COMMISSION ESTAB-
20 LISHED. There is established within the Department of Revenue the
21 Iditarod Trail Race Commission. The commission consists of five members
22 appointed by the governor from a list of at least 10 names submitted to
23 him by the Iditarod Trail Race Committee. Two of the members shall be
24 residents of the City of Nome. Three members shall be from the state at
25 large appointed with due regard for geographical representation. The
26 commission shall annually elect a chairman from among its members.
27 Three members constitute a quorum for the transaction of business and
28 the exercise of the powers of the commission.

29 Sec. 05.15.240. TERM OF OFFICE. Members of the commission serve

1 at the pleasure of the governor for terms of five years and may be re-
2 appointed. Terms shall be staggered. Initial terms shall be one member
3 serving for one year, one member for two years, one member for three
4 years, one member for four years, and one member for five years as
5 designated by the governor.

6 Sec. 05.15.250. COMPENSATION AND EXPENSES. Members of the commis-
7 sion serve without compensation but are entitled to per diem and travel
8 expenses authorized by law for other boards and commissions.

9 Sec. 05.15.255. POWERS AND DUTIES. The commission shall operate
10 and administer the lottery. It shall establish regulations governing
11 the operation including but not limited to

- 12 (1) the type of lottery to be conducted;
- 13 (2) the price of tickets in the lottery;
- 14 (3) the numbers and sizes of the prizes on the winning
15 tickets;
- 16 (4) the manner of selecting the winning tickets;
- 17 (5) the manner of payment of prizes to the holders of winning
18 tickets;
- 19 (6) the frequency of the drawings or selections of winning
20 tickets;
- 21 (7) without limit as to number, the types of locations at
22 which tickets may be sold;
- 23 (8) the method to be used in selling tickets;
- 24 (9) the use of vending machines or mechanical devices of any
25 kind;
- 26 (10) the compensation to licensed sellers of lottery tickets,
27 but only where the commission finds that compensation is necessary to
28 assure adequate availability of lottery tickets, and that the public
29 convenience will be served.

1 Sec. 05.15.260. LOTTERY SALES AGENT. The commission may license
2 persons as agents to sell lottery tickets, but no license may be issued
3 to any person to engage in business exclusively as a lottery sales
4 agent. No license may be issued to a person unless the commission has
5 provided by regulation that licenses may be issued to persons engaged in
6 the type or class of business or activity in which the person is en-
7 gaged. In addition, before issuing a license to any person engaged in
8 that type or class of business or activity, the commission shall con-
9 sider

- 10 (1) financial responsibility and security of the business or
11 activity;
- 12 (2) accessibility of the place of business or activity to the
13 public;
- 14 (3) sufficiency of existing licenses to serve public conven-
15 ience;
- 16 (4) whether the place of business or activity is predomi-
17 nantly frequented by minors;
- 18 (5) volume of expected sales.

19 Sec. 05.15.270. SUSPENSION AND REVOCATION OF LICENSES. The com-
20 mission may suspend or revoke, after notice and hearing, any license
21 issued under sec. 260 of this chapter. A license may be temporarily
22 suspended by the commission without prior notice, pending any prosecu-
23 tion, investigation or hearing. A license may be suspended or revoked
24 by the commission for one or more of the following reasons:

- 25 (1) failure to
 - 26 (A) account for lottery tickets received or for the
27 proceeds of the sale of lottery tickets,
 - 28 (B) file a bond if required by the commission, or
 - 29 (C) comply with instructions of the commission concerning

1 the licensed activity;

2 (2) conviction of any offense as defined by law;

3 (3) failure to

4 (A) file any return or report,

5 (B) keep records; or

6 (C) pay any tax required by this chapter;

7 (4) fraud, deceit, misrepresentation or conduct prejudicial
8 to public confidence in the state lottery;

9 (5) number of lottery tickets sold by the lottery sales agent
10 is insufficient to meet administrative costs and public convenience is
11 adequately served by other licensees;

12 (6) a material change, since issuance of the license, with
13 respect to any matters required to be considered by the commission under
14 sec. 260 of this chapter.

15 Sec. 05.15.280. ANNUAL AUDIT. The commission shall have its
16 financial records audited annually by an independent outside auditor.
17 The legislative auditor may prescribe the form and content of the finan-
18 cial records of the commission and shall have access to these records at
19 any time.

20 Sec. 05.15.290. ANNUAL REPORT. Before September 30 of each year
21 the commission shall submit to the governor and the legislature a com-
22 prehensive report describing operations, income, and expenditures for
23 the preceding 12-month period.

24 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
25 070(c).