

Introduced: 6/2/81
Referred: Judiciary and
Finance

1 IN THE SENATE

BY PARR

2 SENATE BILL NO. 584

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska Horse Racing Commission
7 and authorizing pari-mutuel wagering at sanctioned
8 events."

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

10 * Section 1. PURPOSE. The purpose of this Act is to promote agriculture
11 and to encourage the better breeding of horses in this state.

12 * Sec. 2. AS 05 is amended by adding a new chapter to read:

13 CHAPTER 40. HORSE RACING.

14 ARTICLE 1. ALASKA HORSE RACING COMMISSION.

15 Sec. 05.40.010. ALASKA HORSE RACING COMMISSION. (a) The Alaska
16 Horse Racing Commission is established in the Office of the Governor.
17 The commission is composed of five members appointed by the governor
18 and confirmed by the legislature in joint session. At least one member
19 shall be a resident of the Southeast area of the state; at least one
20 member shall be a resident of the Southcentral area of the state; and
21 at least one member shall be a resident of the Interior area of the
22 state.

23 (b) Each member of the commission shall at the time of his ap-
24 point ment be a resident of the state and a registered voter.

25 (c) A person may not serve as a member of the commission if he
26 has been convicted of

27 (1) a felony; or

28 (2) an offense defined in AS 11.66.200 - 11.66.280 or of a
29 comparable provision of the law of another state; or

1 (d) The commission shall elect a chairman from its membership.

2 (e) Not more than four of the members of the commission may have
3 an ownership or other financial interest in an association, corporation,
4 or other business organization which is engaged in horse racing in the
5 state.

6 Sec. 05.40.020. TERM OF OFFICE. An appointment to the commission
7 is for a term of four years. A vacancy shall be filled by appointment
8 for the unexpired term. A member of the commission shall hold office
9 until his successor is appointed and qualifies.

10 Sec. 05.40.030. REMOVAL FROM OFFICE. The governor may remove a
11 member of the commission for the neglect of a duty required by law, or
12 for other cause, after first giving him a statement of the charges
13 against him and an opportunity to be heard.

14 Sec. 05.40.040. COMPENSATION AND PER DIEM. Members of the com-
15 mission receive no salary for their service on the commission but are
16 entitled to per diem and travel expenses authorized by law for state
17 boards and commissions.

18 Sec. 05.40.050. QUORUM. Three members of the commission consti-
19 tute a quorum for the transaction of business.

20 Sec. 05.40.060. JURISDICTION. Jurisdiction of the commission
21 extends to any person conducting, or participating in the conduct of, a
22 meeting where horse racing is authorized under the laws of the state
23 for a stake, purse, or reward.

24 Sec. 05.40.070. POWERS OF THE COMMISSION. The commission shall

25 (1) adopt regulations concerning

26 (A) the issuance, suspension, and revocation of licenses
27 for persons within its jurisdiction;

28 (B) the appointment of racing officials and their
29 duties;

- 1 (C) veterinary standards for race meets;
- 2 (D) pari-mutuel equipment to be used by licensees;
- 3 (E) auditing procedures; and
- 4 (F) other matters directly related to horse racing and
- 5 pari-mutuel betting;
- 6 (2) license, regulate, and supervise all horse races;
- 7 (3) inspect and approve race tracks and race horses;
- 8 (4) establish racing dates, location, and durations;
- 9 (5) set all license fees;
- 10 (6) hire staff as needed to administer this chapter;
- 11 (7) issue subpoenas to compel witnesses to appear before it;
- 12 (8) make an annual report to the legislature of its adminis-
- 13 tration of this chapter;
- 14 (9) supervise the making and distribution of pari-mutuel
- 15 pools;
- 16 (10) compel the production of documents showing the receipts
- 17 and disbursements of a licensed racetrack;
- 18 (11) appoint a hearing officer to conduct any hearing required
- 19 by this chapter or by a regulation adopted under it.

20 Sec. 05.40.080. REGULATIONS OF THE COMMISSION. The regulations
21 adopted by the commission have the force of law. The attorney general
22 shall enforce the regulations. Violation of a regulation of the commis-
23 sion is punishable under AS 05.40.130.

24 Sec. 05.40.090. RECORDS OF THE COMMISSION. The commission shall
25 keep detailed records of all meetings and of the business transacted
26 and of all collections and disbursements, reports of which shall be
27 included in an annual report which the commission shall prepare and
28 submit to the commissioner of revenue before January 1. All records of
29 the commission are public records and subject to public inspection.

1 holding the meet; the agreement is subject to the approval of the
2 commission;

3 (5) if one or more Alaska-bred horses finish first two per-
4 cent shall be paid to their breeders;

5 (6) three percent shall be paid to the commission;

6 (7) the remainder shall be paid to the holders of tickets on
7 the winning horses.

8 ARTICLE 4. PROHIBITED ACTS AND PENALTIES.

9 Sec. 05.40.130. PROHIBITED ACTS AND PENALTIES. (a) It is a mis-
10 demeanor to

11 (1) breach or fail to comply with a regulation of the com-
12 mission or a provision of this chapter if no effect on the outcome of
13 the horse race was intended;

14 (2) record, report, or register a wager on a horse in a
15 horse race unless under the provisions of this chapter;

16 (3) place a bet upon the results of a horse race except by a
17 pari-mutuel method of wagering conducted by a person licensed under
18 this chapter, and upon the grounds or inclosure of the licensee;

19 (4) permit a person under the age of 18 to use the pari-
20 mutuel system.

21 (b) Failure to comply with a regulation or provision of this
22 chapter with intent to affect the outcome of the horse race is a felony.

23 ARTICLE 5. DEFINITIONS.

24 Sec. 05.40.140. DEFINITIONS. In this chapter, unless the context
25 otherwise requires,

26 (1) "Alaska-bred horse" means a foal dropped by a mare in
27 Alaska and remaining in Alaska until the foal is weaned;

28 (2) "breakage" means the odd cents by which the amount pay-
29 able on each dollar wagered exceeds a multiple of 10 cents; breakage

1 may not exceed 20 percent of the total amount deposited in the pool;

2 (3) "commission" means the Alaska Horse Racing Commission;

3 (4) "meeting" or "meet" means an exhibition including, but
4 not limited to, thoroughbred, quarter horse, Appaloosa, Arabian, stan-
5 dardbred or registered horse racing where the pari-mutuel system is
6 used;

7 (5) "pari-mutuel" means a form of wagering on the outcome of
8 horse races in which those who wager personally purchase tickets of
9 various denominations on a horse and all wagers for each race are
10 pooled and held by the commission for distribution; when the outcome of
11 the race has been decided, the commission distributes the percentage of
12 the total wagers determined by AS.05.40.120 to holders of tickets on
13 the winning horses.

14 ARTICLE 6. APPLICABILITY OF OTHER ACTS.

15 Sec. 05.40.150. ADMINISTRATIVE PROCEDURE ACT. The commission
16 shall comply with the Administrative Procedure Act (AS 44.62).

17 Sec. 05.40.160. CONFLICTS OF INTEREST ACT. The commission is
18 subject to AS 39.50 (conflict of interest).

19 * Sec. 3. AS 18.65.080 is amended by adding a new subsection to read:

20 (b) Before appointment or employment, the Department of Public
21 Safety shall investigate and ascertain

22 (1) that a person appointed by the governor to serve as a
23 member of the Alaska Horse Racing Commission under AS 05.40 is not pro-
24 hibited from serving as a member of the commission because of conviction
25 of a crime described in AS 05.40.010(c);

26 (2) that no member of the staff of or person employed by the
27 Alaska Horse Racing Commission or as a race official, race employee, or
28 veterinarian has been convicted of a crime under the laws of the state
29 or another jurisdiction.

1 * Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:
2 (44) Alaska Horse Racing Commission (AS 05.40.010).
3 * Sec. 5. AS 44.62.330(a) is amended by adding a new paragraph to read:
4 (52) Alaska Horse Racing Commission (AS 05.40.010).
5 * Sec. 6. INITIAL COMMISSION APPOINTMENTS. The governor shall make the
6 initial appointment of members of the Alaska Horse Racing Commission within
7 30 days after the effective date of this Act: one member shall be appointed
8 for a term to expire January 1, 1983; two members for a term to expire
9 January 1, 1984; and two members for a term to expire January 1, 1985.

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