

Introduced: 3/24/83
Referred: State Affairs
and Judiciary

1 IN THE SENATE

BY MOSS

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SENATE BILL NO. 205

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act establishing the Alaska Horse Racing Commis-

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sion and authorizing pari-mutuel wagering at sanc-

8

tioned events."

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

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* Section 1. PURPOSE. The purpose of this Act is to promote agricul-

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ture and to encourage the better breeding of horses in this state.

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

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CHAPTER 40. HORSE RACING.

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ARTICLE 1. ALASKA HORSE RACING COMMISSION.

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Sec. 05.40.010. ALASKA HORSE RACING COMMISSION. (a) The Alaska

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Horse Racing Commission is established in the Office of the Governor.

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The commission is composed of five members appointed by the governor

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and confirmed by the legislature in joint session. At least one

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member shall be a resident of the Southeast area of the state; at

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least one member shall be a resident of the Southcentral area of the

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state; and at least one member shall be a resident of the Interior

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area of the state.

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(b) Each member of the commission shall at the time of the

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member's appointment be a resident of the state and a registered

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voter.

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(c) A person may not serve as a member of the commission if that

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person has been convicted of

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(1) a felony; or

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(2) an offense defined in AS 11.66.200 - 11.66.280 or a

1 comparable provision of the law of another state.

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

3 Sec. 05.40.020. TERM OF OFFICE. An appointment to the commis-
4 sion is for a term of four years. A vacancy shall be filled by
5 appointment for the unexpired term. A member of the commission shall
6 hold office until a successor is appointed and qualifies.

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

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

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

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

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

22 (1) adopt regulations concerning

23 (A) the issuance, suspension, and revocation of li-
24 censes for persons within its jurisdiction;

25 (B) the appointment of racing officials and their
26 duties;

27 (C) veterinary standards for race meets;

28 (D) pari-mutuel equipment to be used by licensees;

29 (E) auditing procedures; and

1 (F) other matters directly related to horse racing and
2 pari-mutuel betting;

3 (2) license, regulate, and supervise all horse races;

4 (3) inspect and approve race tracks and race horses;

5 (4) establish racing dates, location, and durations;

6 (5) set all license fees;

7 (6) hire staff as needed to administer this chapter;

8 (7) issue subpoenas to compel witnesses to appear before
9 it;

10 (8) make an annual report to the legislature of its admin-
11 istration of this chapter;

12 (9) supervise the making and distribution of pari-mutuel
13 pools;

14 (10) compel the production of documents showing the receipts
15 and disbursements of a licensed racetrack;

16 (11) appoint a hearing officer to conduct any hearing re-
17 quired by this chapter or by a regulation adopted under it.

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

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

28 ARTICLE 2. RACE MEETS.

29 Sec. 05.40.100. RACE MEETS AND LICENSE. (a) A person may not

1 hold a race meet in the state without a valid license issued by the
2 commission.

3 (b) A person who is a participant in a race meet shall be li-
4 censed and charged an annual fee by the commission. A person holding
5 a license under this chapter and every owner, trainer, jockey, driver,
6 and attendant at a race course in the state shall comply with this
7 chapter and with the regulations adopted and the orders issued by the
8 commission.

9 (c) A person convicted of a crime defined in AS 05.40.010(c) may
10 not be licensed under this chapter.

11 (d) Race meets are restricted to registered horses, except that
12 the commission shall authorize one special event race for Alaska-bred
13 horses, whether registered or not, at each race meet.

14 ARTICLE 3. REVENUE.

15 Sec. 05.40.110. PROCEEDS. Fees and other money received by the
16 commission shall be paid into the state general fund.

17 Sec. 05.40.120. DISTRIBUTION OF GROSS RECEIPTS. The mutuel pool
18 shall be distributed as follows:

19 (1) seven percent shall be retained by the licensee holding
20 the meet;

21 (2) breakage shall be retained by the licensee holding the
22 meet;

23 (3) if the state or a city or borough imposes a special tax
24 on a licensee by levying on the money deposited in the pari-mutuel
25 system, the licensee may withhold the amount of the tax;

26 (4) 10 percent shall be allocated as purse money; the
27 formula for distribution of purse money shall be determined by agree-
28 ment between an organization representing the horsemen and the
29 licensee holding the meet; the agreement is subject to the approval of

1 the commission;

2 (5) two percent shall be divided among the breeders of
3 Alaska-bred horses that finish first;

4 (6) 10 percent shall be paid to the commission;

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

7 ARTICLE 4. PROHIBITED ACTS AND PENALTIES.

8 Sec. 05.40.130. PROHIBITED ACTS AND PENALTIES. (a) It is a
9 class A misdemeanor to

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

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

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

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

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

23 ARTICLE 5. DEFINITIONS.

24 Sec. 05.40.140. DEFINITIONS. In this chapter

25 (1) "Alaska-bred horse" means a foal dropped by a mare in
26 Alaska that remains in Alaska until it is weaned;

27 (2) "breakage" means the odd cents by which the amount pay-
28 able on each dollar wagered exceeds a multiple of 10 cents; breakage
29 may not exceed 20 percent of the total amount deposited in the pool;

- 1 (3) "commission" means the Alaska Horse Racing Commission;
- 2 (4) "meeting" or "meet" means an exhibition that includes
- 3 thoroughbred, quarter horse, Appaloosa, Arabian, standardbred or
- 4 registered horse racing, where the pari-mutuel system is used;
- 5 (5) "pari-mutuel" means a form of wagering on the outcome
- 6 of horse races in which those who wager personally purchase tickets of
- 7 various denominations on a horse and all wagers for each race are
- 8 pooled and held by the commission for distribution; when the outcome
- 9 of the race has been decided, the commission distributes the percent-
- 10 age of the total wagers determined by AS.05.40.120 to holders of
- 11 tickets on the winning horses.

12 ARTICLE 6. APPLICABILITY OF OTHER ACTS.

13 Sec. 05.40.150. ADMINISTRATIVE PROCEDURE ACT. The operations of

14 the commission are subject to the Administrative Procedure Act

15 (AS 44.62).

16 Sec. 05.40.160. CONFLICTS OF INTEREST ACT. The commission is

17 subject to AS 39.50 (conflict of interest).

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

19 (b) Before appointment or employment, the Department of Public

20 Safety shall investigate and ascertain

21 (1) that a person appointed by the governor to serve as a

22 member of the Alaska Horse Racing Commission under AS 05.40 is not

23 prohibited from serving as a member of the commission because of

24 conviction of a crime described in AS 05.40.010(c);

25 (2) that a member of the staff of or person employed by the

26 Alaska Horse Racing Commission or as a race official, race employee,

27 or veterinarian has not been convicted of a crime under the laws of

28 the state or another jurisdiction.

29 * Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:

1 (46) Alaska Horse Racing Commission (AS 05.40.010).

2 * Sec. 5. AS 44.62.330(a) is amended by adding a new paragraph to read:

3 (52) Alaska Horse Racing Commission (AS 05.40.010).

4 * Sec. 6. INITIAL COMMISSION APPOINTMENTS. The governor shall make the
5 initial appointment of members of the Alaska Horse Racing Commission within
6 30 days after the effective date of this Act: one member shall be ap-
7 pointed for a term to expire January 1, 1985; two members for a term to
8 expire January 1, 1986; and two members for a term to expire January 1,
9 1987.