

Introduced: 1/19/87  
 Referred: State Affairs and  
 Finance

1 IN THE HOUSE BY LARSON AND MENARD  
 2 HOUSE BILL NO. 32  
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 4 FIFTEENTH LEGISLATURE - FIRST SESSION  
 5 A BILL  
 6 For an Act entitled: "An Act establishing the Alaska Racing Commission and  
 7 authorizing parimutuel wagering at sanctioned  
 8 events."  
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
 10 \* Section 1. AS 05 is amended by adding a new chapter to read:  
 11 CHAPTER 40. HORSE RACING AND TEAM DOG RACING.  
 12 ARTICLE 1. ALASKA RACING COMMISSION.  
 13 Sec. 05.40.010. ALASKA RACING COMMISSION. (a) The Alaska  
 14 Racing Commission is established in the Department of Revenue. The  
 15 commission is composed of five members appointed by the governor and  
 16 confirmed by the legislature in joint session.  
 17 (b) Each member of the commission shall at the time of the  
 18 member's appointment be a resident of the state.  
 19 (c) A person may not serve as a member of the commission if that  
 20 person has been convicted of  
 21 (1) a felony; or  
 22 (2) an offense defined in AS 11.66.200 - 11.66.280 or a  
 23 comparable provision of the law of another state.  
 24 (d) The commission shall elect a chairman from its membership.  
 25 Sec. 05.40.020. TERM OF OFFICE. An appointment to the commis-  
 26 sion is for a term of four years. A vacancy is filled by appointment  
 27 for the unexpired term. A member of the commission holds office until  
 28 a successor is appointed and qualifies.  
 29 Sec. 05.40.030. REMOVAL FROM OFFICE. The governor may remove a

1 member of the commission for the neglect of a duty required by law, or  
2 for other cause, after first giving the member a statement of the  
3 charges and an opportunity to be heard.

4 Sec. 05.40.040. COMPENSATION AND PER DIEM. Members of the  
5 commission receive no salary for their service on the commission but  
6 are entitled to per diem and travel expenses authorized by law for  
7 state boards and commissions under AS 39.20.180.

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

10 Sec. 05.40.060. JURISDICTION. Jurisdiction of the commission  
11 extends to every owner, trainer, jockey, driver, attendant or other  
12 person conducting, or participating in the conduct of, a meeting where  
13 horse racing or team dog racing is authorized under this chapter for a  
14 stake, purse, or reward.

15 Sec. 05.40.070. DUTIES AND POWERS OF THE COMMISSION. (a) The  
16 commission shall

- 17 (1) adopt regulations concerning
- 18 (A) the issuance, suspension, and revocation of li-
  - 19 censes for persons within its jurisdiction;
  - 20 (B) the appointment of racing officials and their
  - 21 duties;
  - 22 (C) the percentages of the parimutuel pool
  - 23 (i) retained by the licensee conducting the meet;
  - 24 (ii) distributed as purse money;
  - 25 (iii) paid to the holders of winning tickets;
  - 26 (iv) paid to the commission;
  - 27 (D) retention of breakage by the licensee conducting
  - 28 the meet;
  - 29 (E) veterinary standards for race meets;

- 1 (F) parimutuel equipment to be used by licensees;
- 2 (G) auditing procedures; and
- 3 (H) other matters directly related to horse racing,
- 4 team dog racing, and parimutuel betting;
- 5 (2) license, regulate, and supervise all horse races and
- 6 team dog races;
- 7 (3) inspect and approve race tracks and race horses and
- 8 racing dogs;
- 9 (4) establish standards for the design and weight of
- 10 chariots and sleds used in team dog racing;
- 11 (5) establish racing dates and durations;
- 12 (6) sanction horse racing at locations approved by the
- 13 commission;
- 14 (7) sanction team dog races at locations approved by the
- 15 commission;
- 16 (8) set all license fees;
- 17 (9) make an annual report to the commissioner of revenue
- 18 and the legislature of its administration of this chapter before
- 19 February 1 of each year;
- 20 (10) keep detailed records of all meetings and of all col-
- 21 lections and disbursements;
- 22 (11) supervise the making and distribution of parimutuel
- 23 pools.
- 24 (b) The commission may
- 25 (1) hire staff as needed to administer this chapter;
- 26 (2) issue subpoenas to compel witnesses to appear before
- 27 it;
- 28 (3) compel the production of documents showing the receipts
- 29 and disbursements of a licensed racetrack;

1           (4) appoint a hearing officer to conduct a hearing required  
2 by this chapter or by a regulation adopted under it.

3           Sec. 05.40.080. REGULATIONS OF THE COMMISSION. The attorney  
4 general shall enforce the regulations of the commission. Violation of  
5 a regulation of the commission is punishable under AS 05.40.200.

6           Sec. 05.40.090. RECORDS OF THE COMMISSION. All records of the  
7 commission are public records and subject to public inspection.

8           Sec. 05.40.100. PROCEEDS. Fees and other money received by the  
9 commission shall be paid into the general fund.

10                           ARTICLE 2. RACE MEETS.

11           Sec. 05.40.110. RACE MEETS AND LICENSE. (a) A person may not  
12 conduct a race meet in the state without a valid license issued by the  
13 commission.

14           (b) A person may not participate in a race meet without a valid  
15 license issued by the commission.

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

18           Sec. 05.40.120. RACE MEETS WITHIN MUNICIPALITIES. The commis-  
19 sion may not sanction a race meet within a municipality unless a  
20 majority of the voters in the municipality has approved a referendum  
21 authorizing parimutuel wagering on horse races and team dog races.

22                           ARTICLE 3. PROHIBITED ACTS AND PENALTIES.

23           Sec. 05.40.200. PROHIBITED ACTS AND PENALTIES. (a) It is a  
24 class A misdemeanor to

25           (1) violate or fail to comply with a regulation of the  
26 commission or a provision of this chapter if no effect on the outcome  
27 of the horse race or team dog race was intended;

28           (2) record, report, or register a wager on a horse in a  
29 horse race or a team in a team dog race unless under the provisions of

1 this chapter;

2 (3) place a bet upon the results of a horse race or a team  
3 dog race except by a parimutuel method of wagering conducted by a  
4 person licensed under this chapter, and upon the grounds or enclosure  
5 of the licensee;

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

8 (b) Violation of a regulation or provision of this chapter with  
9 intent to affect the outcome of a horse race or a team dog race is a  
10 class C felony.

11 ARTICLE 4. MISCELLANEOUS PROVISIONS.

12 Sec. 05.40.250. ADMINISTRATIVE PROCEDURE ACT. The operations of  
13 the commission are subject to the Administrative Procedure Act  
14 (AS 44.62).

15 Sec. 05.40.260. CONFLICT OF INTEREST ACT. The commission is  
16 subject to AS 39.50 (conflict of interest).

17 ARTICLE 5. GENERAL PROVISIONS.

18 Sec. 05.40.300. DEFINITIONS. In this chapter

19 (1) "breakage" means the odd cents by which the amount  
20 payable on each dollar wagered exceeds a multiple of 10 cents; break-  
21 age may not exceed 20 percent of the total amount deposited in the  
22 pool;

23 (2) "commission" means the Alaska Racing Commission;

24 (3) "harness race" means a race where the horses are har-  
25 nessed to a sulky, carriage, or similar vehicle and driven by a  
26 driver;

27 (4) "horse race" means either a race where the horses are  
28 mounted and ridden by jockeys or a harness race;

29 (5) "meeting" or "meet" means an exhibition that includes

1 horse races or team dog races, where the parimutuel system is used;

2 (6) "parimutuel" means a form of wagering on the outcome of  
3 horse races or team dog races in which those who wager personally  
4 purchase tickets of various denominations on a horse or a team and all  
5 wagers for each race are pooled and held by the licensee conducting  
6 the meet for distribution; when the outcome of the race has been  
7 decided, the licensee conducting the meet distributes the percentage  
8 of the total wagers determined by the commission to holders of tickets  
9 on the winning horses or teams;

10 (7) "team dog race" means a race among five or more teams,  
11 each team consisting of eight dogs, along a fixed course, not exceed-  
12 ing one mile, where the teams start simultaneously from a common  
13 starting point and race to a common finish line.

14 \* Sec. 2. AS 18.65.080 is amended by adding a new subsection to read:

15 (b) Before appointment or employment, the Department of Public  
16 Safety shall investigate and ascertain whether a

17 (1) person appointed by the governor to serve as a member  
18 of the Alaska Racing Commission under AS 05.40 has been convicted of a  
19 crime described in AS 05.40.010(c);

20 (2) member of the staff of or person employed by the Alaska  
21 Racing Commission or as a race official, race employee, or veterinar-  
22 ian has been convicted of a crime under the laws of the state or  
23 another jurisdiction.

24 \* Sec. 3. AS 39.50.200(b) is amended by adding a new paragraph to read:

25 (49) Alaska Racing Commission (AS 05.40.010).

26 \* Sec. 4. AS 44.62.330(a) is amended by adding a new paragraph to read:

27 (55) Alaska Racing Commission (AS 05.40.010).

28 \* Sec. 5. INITIAL COMMISSION APPOINTMENTS. The governor shall make the  
29 initial appointment of members of the Alaska Racing Commission within 30

1 days after the effective date of this Act.