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5-0247A

1 IN THE SENATE

BY SZYMANSKI

2

SENATE BILL NO. 63

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 DOG TEAM RACING.

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ARTICLE 1. ALASKA RACING COMMISSION.

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

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Racing Commission is established in the Department of Revenue. The

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commission is composed of five members appointed by the governor. One

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member shall be knowledgeable in horse racing or dog team racing, one

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member shall have experience in law enforcement, one member shall have

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three years experience in the conduct, administration, or regulation

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of parimutuel wagering if a qualified person is available, and the

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remaining members shall be public members.

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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.

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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

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comparable provision of the law of another state.

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

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Sec. 05.40.020. TERM OF OFFICE. An appointment to the

1 commission is for a term of four years. A vacancy is filled by ap-
2 pointment for the unexpired term. A member of the commission holds
3 office until a successor is appointed and qualifies.

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

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

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

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

19 Sec. 05.40.070. DUTIES AND POWERS OF THE COMMISSION. (a) The
20 commission shall

21 (1) adopt regulations concerning

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

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

26 (C) the percentages of the parimutuel pool

27 (i) retained by the licensee conducting the meet;

28 (ii) distributed as purse money;

29 (iii) paid to the holders of winning tickets;

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

1 (2) issue subpoenas to compel witnesses to appear before
2 it;

3 (3) compel the production of documents showing the receipts
4 and disbursements of a licensed racetrack;

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

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

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

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

14 ARTICLE 2. RACE MEETS.

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

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

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

22 Sec. 05.40.120. RACE MEETS WITHIN MUNICIPALITIES. The commis-
23 sion may not sanction a race meet within a municipality unless a
24 majority of the voters in a municipal referendum on the question of
25 whether parimutuel wagering may be conducted within the municipality
26 approve parimutuel wagering.

27 ARTICLE 3. PROHIBITED ACTS AND PENALTIES.

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

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

4 (2) record, report, or register a wager on a horse in a
5 horse race or a team in a dog team race unless under the provisions of
6 this chapter;

7 (3) place a wager upon the results of a horse race or a dog
8 team race except by a parimutuel method of wagering conducted by a
9 person licensed under this chapter, and upon the grounds or enclosure
10 of the licensee;

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

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

16 ARTICLE 4. MISCELLANEOUS PROVISIONS.

17 Sec. 05.40.250. ADMINISTRATIVE PROCEDURE ACT. The operations of
18 the commission are subject to the Administrative Procedure Act
19 (AS 44.62).

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

22 ARTICLE 5. GENERAL PROVISIONS.

23 Sec. 05.40.300. DEFINITIONS. In this chapter

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

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

29 (3) "dog team race" means a race among five or more teams,

1 each team consisting of eight dogs, along a fixed course, not exceed-
2 ing one mile, where the teams start simultaneously from a common
3 starting point and race to a common finish line;

4 (4) "harness race" means a race where each horse is har-
5 nessed to a sulky, carriage, or similar vehicle and driven by a
6 driver;

7 (5) "horse race" means either a race where each horse is
8 mounted and ridden by a jockey or a harness race;

9 (6) "meeting" or "meet" means horse races or dog team races
10 where the parimutuel system is used;

11 (7) "parimutuel" means a form of wagering on the outcome of
12 horse races or dog team races in which those who wager personally
13 purchase tickets of various denominations on a horse or a dog team and
14 all wagers for each race are pooled and held by the licensee conduct-
15 ing the meet for distribution; when the outcome of the race has been
16 decided, the licensee conducting the meet distributes the percentage
17 of the total wagers determined by the commission to holders of tickets
18 on the winning horses or dog teams.

19 * Sec. 2. 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 whether a

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

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

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

1 (49) Alaska Racing Commission (AS 05.40.010).
2 * Sec. 4. AS 44.62.330(a) is amended by adding a new paragraph to read:
3 (55) Alaska Racing Commission (AS 05.40.010).
4 * Sec. 5. INITIAL COMMISSION APPOINTMENTS. The governor shall make the
5 initial appointment of members of the Alaska Racing Commission within 30
6 days after the effective date of this Act.