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6-0363E

1 IN THE SENATE

BY SZYMANSKI, FAIKS AND PEARCE

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SENATE BILL NO. 146

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act allowing gaming devices on ferries."

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

8 \* Section 1. AS 19.65 is amended by adding new sections to read:

9       Sec. 19.65.030. GAMING DEVICES AUTHORIZED. (a) The Department  
10 of Revenue may license a vessel of the Alaska marine highway system to  
11 operate gaming devices in the portion of the vessel that is licensed  
12 under AS 04 to sell alcohol.

13       (b) A license issued under (a) of this section is not valid when  
14 the vessel is in a jurisdiction outside of the state unless that  
15 jurisdiction also allows the licensed activity.

16       (c) The commissioner of revenue may adopt regulations under the  
17 Administrative Procedure Act (AS 44.62) to implement this section.

18       Sec. 19.65.040. PROHIBITIONS ON GAMING DEVICE OPERATION; PENAL-  
19 TIES. (a) An employee of the Alaska marine highway system may not  
20 allow a person under 21 years of age to use a gaming device authorized  
21 under AS 19.65.030. A person under 21 years of age may not use a  
22 gaming device authorized under AS 19.65.030.

23       (b) A person may not manipulate or attempt to manipulate the  
24 outcome or payoff of a gaming device authorized under AS 19.65.030 by  
25 physically tampering or otherwise interfering with the proper func-  
26 tioning of the device.

27       (c) Violation of this section is a class A misdemeanor.

28       Sec. 19.65.050. The Department of Transportation and Public  
29 Facilities shall deposit receipts from the operation of gaming devices

1 under AS 19.65.030 in the general fund. The commissioner of adminis-  
2 tration shall separately account for money deposited under this sec-  
3 tion. The legislature may appropriate money in the account for the  
4 operation of the Alaska marine highway system.

5 Sec. 19.65.060. DEFINITION FOR AS 19.65.030 - 19.65.060. In  
6 AS 19.65.030 - 19.65.060 "gaming device" means equipment or a mechan-  
7 ical, electromechanical, or electronic contrivance, component, or  
8 machine that affects the result of a wager by determining wins or  
9 losses in connection with a game in which, by the skill of the player  
10 or by chance, or both, the player may receive free games or credit  
11 that can be redeemed for cash; "gaming device" does not include a  
12 machine that directly dispenses coins or cash.

13 \* Sec. 2. AS 11.66.280(2) is amended to read:

14 (2) "gambling" means that a person stakes or risks some-  
15 thing of value upon the outcome of a contest of chance or a future  
16 contingent event not under the person's control or influence, upon an  
17 agreement or understanding that that person or someone else will  
18 receive something of value in the event of a certain outcome; "gambl-  
19 ing" does not include

20 (A) bona fide business transactions valid under the  
21 law of contracts for the purchase or sale at a future date of  
22 securities or commodities and agreements to compensate for loss  
23 caused by the happening of chance, including contracts of indem-  
24 nity or guaranty and life, health, or accident insurance; [OR]

25 (B) playing an amusement device that

26 (i) confers only an immediate right of replay not  
27 exchangeable for something of value other than the privilege  
28 of immediate replay; and

29 (ii) does not contain a method or device by which

1 the privilege of immediate replay may be cancelled or revoked;  
2 ed; or

3 (C) an activity authorized by the commissioner of  
4 revenue under AS 05.15 or AS 19.65.030;

5 \* Sec. 3. AS 11.66.280(3) is amended to read:

6 (3) "gambling device" means any device, machine, parapher-  
7 nalia, or equipment that is used or usable in the playing phases of  
8 unlawful gambling, whether it consists of gambling between persons or  
9 gambling by a person involving the playing of a machine; "gambling  
10 device" does not include

11 (A) lottery tickets, policy slips, or other items used  
12 in the playing phases of lottery or policy schemes; [OR]

13 (B) an amusement device as described in (2)(B) of this  
14 section; or

15 (C) a gaming device authorized under AS 19.65.030;

16 \* Sec. 4. AS 11.66.280(4) is amended to read:

17 (4) "gambling enterprise" means a gambling business that

18 (A) includes five or more persons who conduct, finance,  
19 manage, supervise, direct, or own all or part of the business;

20 (B) has been or remains in substantially continuous opera-  
21 tion for a period in excess of 30 days or has a gross income of  
22 \$2,000 or more in any single day; and

23 (C) is not

24 (i) a vessel of the Alaska marine highway system  
25 lawfully conducting an activity licensed under AS 19.65.030;

26 or

27 (ii) a municipality or a qualified organization under  
28 AS 05.15.210, except that, for purposes of this subparagraph  
29 [PARAGRAPH], no application for a license under AS 05.15 is

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required to be considered a qualified organization;