

Introduced: 5/1/89
Referred: Labor and Commerce, Judiciary
and Finance

6-1119A

1 IN THE SENATE

BY ZHAROFF

2

SENATE BILL NO. 311

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act establishing the Alaska Gaming Commission;
and providing for an effective date."

7

8

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

9

* Section 1. AS 05.15 is amended by adding new sections to read:

10

ARTICLE 4. ALASKA GAMING COMMISSION.

11

Sec. 05.15.300. ALASKA GAMING COMMISSION. (a) The Alaska

12

Gaming Commission is established in the Department of Commerce and
Economic Development. The commission is composed of five members
appointed by the governor, subject to confirmation by the legislature.

13

14

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

15

member's appointment be a resident of the state.

16

17

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

18

person has been convicted of

19

(1) a felony; or

20

(2) an offense under this chapter, AS 11.66.200 -
11.66.280, or a comparable provision of municipal, state, or federal
law.

21

22

(d) A person may not serve as a member of the commission until

23

the investigation required under AS 18.65.080(b) is completed.

24

(e) The commission shall elect a chair from its membership.

25

(f) Three members of the commission constitute a quorum for the

26

transaction of business.

27

28

Sec. 05.15.310. TERM OF OFFICE. Members of the commission serve

29

staggered terms of four years. A vacancy is filled by appointment for

1 the unexpired term. A member of the commission holds office until a
2 successor is appointed and qualifies.

3 Sec. 05.15.320. REMOVAL AND SUSPENSION OF MEMBERS. (a) The
4 governor may remove a member for cause, including incompetence,
5 neglect of duty, or misconduct in office. A member being removed for
6 cause shall be given a copy of the charges and afforded an opportunity
7 to publicly present a defense in person or by counsel upon not less
8 than 10 days' notice. If a member is removed for cause, the governor
9 shall file with the lieutenant governor a complete statement of all
10 charges made against the member and the governor's findings based on
11 the charges, together with a complete record of the proceedings.

12 (b) The governor may immediately suspend a member for a viola-
13 tion of law or for misconduct in office pending removal from office
14 under (a) of this section.

15 Sec. 05.15.330. COMPENSATION AND PER DIEM. Members of the
16 commission do not receive a salary for their service on the commission
17 but are entitled to per diem and travel expenses authorized for state
18 boards and commissions under AS 39.20.180.

19 Sec. 05.15.340. DUTIES AND POWERS OF THE COMMISSION. (a) The
20 commission shall

21 (1) license, regulate, and supervise games of chance and
22 contests of skill under this chapter;

23 (2) hire staff as needed to enforce and administer this
24 chapter; and

25 (3) adopt regulations necessary to carry out the provisions
26 of this chapter.

27 (b) The commission may

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

1 (2) - compel the production of documents showing the receipts
2 and disbursements of a person licensed to conduct a gaming enterprise;
3 (3) appoint a hearing officer to conduct a hearing required
4 by this chapter or by a regulation adopted under it.

5 Sec. 05.15.350. EMPLOYEES OF THE COMMISSION. Employees of the
6 commission are in the partially exempt service under AS 39.25.120.

7 Sec. 05.15.360. REGULATIONS OF THE COMMISSION. The attorney
8 general shall enforce the regulations of the commission.

9 Sec. 05.15.370. RECORDS OF THE COMMISSION. All records of the
10 commission are public records and subject to public inspection.

11 Sec. 05.15.380. PROCEEDS. Fees and other money received by the
12 commission shall be paid into the general fund.

13 Sec. 05.15.390. ADMINISTRATIVE PROCEDURE ACT. The operations of
14 the commission are subject to the Administrative Procedure Act
15 (AS 44.62).

16 Sec. 05.15.400. CONFLICT OF INTEREST ACT. The commission is
17 subject to AS 39.50 (conflict of interest).

18 * Sec. 2. AS 05.15.010, as amended by Executive Order No. 74, is
19 repealed and reenacted to read:

20 Sec. 05.15.010. ALASKA GAMING COMMISSION TO ADMINISTER CHAPTER.
21 The Alaska Gaming Commission shall administer this chapter.

22 * Sec. 3. AS 05.15.210(6), as amended by Executive Order No. 74, is
23 repealed and reenacted to read:

24 (6) "commission" means the Alaska Gaming Commission;

25 * Sec. 4. AS 11.66.280(2), as amended by Executive Order No. 74, is
26 repealed and reenacted to read:

27 (2) "gambling" means that a person stakes or risks something of
28 value upon the outcome of a contest of chance or a future contingent
29 event not under the person's control or influence, upon an agreement

1 or understanding that that person or someone else will receive some-
2 thing of value in the event of a certain outcome; "gambling" does not
3 include

4 (A) bona fide business transactions valid under the
5 law of contracts for the purchase or sale at a future date of
6 securities or commodities and agreements to compensate for loss
7 caused by the happening of chance, including contracts of indem-
8 nity or guaranty and life, health, or accident insurance; or

9 (B) playing an amusement device that

10 (i) confers only an immediate right of replay not
11 exchangeable for something of value other than the privilege
12 of immediate replay; and

13 (ii) does not contain a method or device by which
14 the privilege of immediate replay may be cancelled or
15 revoked;

16 (C) an activity authorized under AS 05.15;

17 * Sec. 5. AS 18.65.080 is amended by adding a new subsection to read:

18 (b) The Department of Public Safety shall investigate and ascer-
19 tain whether a person appointed by the governor to serve as a member
20 of the Alaska Gaming Commission has been convicted of a crime set out
21 in AS 05.15.300(c).

22 * Sec. 6. AS 39.25.120(c) is amended by adding a new paragraph to read:
23 (21) employees of the Alaska Gaming Commission.

24 * Sec. 7. AS 39.50.200(b) is amended by adding a new paragraph to read:
25 (50) Alaska Gaming Commission (AS 05.15.300).

26 * Sec. 8. AS 44.62.330(a) is amended by adding a new paragraph to read:
27 (55) Alaska Gaming Commission (AS 05.15.300).

28 * Sec. 9. AS 05.15.210(8) and AS 44.33.020(31) are repealed.

29 * Sec. 10. INITIAL COMMISSION APPOINTMENTS. The governor shall make

1 the initial appointment of members of the Alaska Gaming Commission within
2 120 days after the effective date of this Act. The governor shall set the
3 terms of initial members so that two members serve terms of four years, one
4 member serves a term of three years, one member serves a term of two years,
5 and one member serves a term of one year.

6 * Sec. 11. TRANSITION. (a) Regulations relating to games of chance
7 and contests of skill, adopted by the Department of Revenue under authority
8 of AS 05.15 before July 1, 1989, remain in effect until regulations relat-
9 ing to that function that are adopted by the Alaska Gaming Commission under
10 AS 05.15 as amended by this Act, take effect. The Alaska Gaming Commission
11 shall administer the Department of Revenue regulations until its own take
12 effect.

13 (b) Until the Alaska Gaming Commission is appointed, the Department
14 of Commerce and Economic Development shall administer games of chance and
15 contests of skill under AS 05.15 and under the regulations referred to in
16 (a) of this section.

17 * Sec. 12. IMPLEMENTATION OF LEGISLATION. To be consistent with the
18 changes made by this legislation, wherever in AS 05.15 and in regulations
19 adopted under those statutes "Department of Revenue," "department," or
20 "commissioner" is used, they shall be read as referring to the Alaska
21 Gaming Commission or commission when to do so would implement the purposes
22 of this Act. Under AS 01.05.031, the revisor of statutes shall implement
23 this section in the statutes, and, under AS 44.62.125(b)(6), the regula-
24 tions attorney shall implement this section in the administrative regula-
25 tions.

26 * Sec. 13. This Act takes effect July 1, 1989.