

Original sponsors: Rodey, Adams,
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1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

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CS FOR SENATE RESOLUTION NO. 11 (L&C)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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SIXTEENTH LEGISLATURE - FIRST SESSION

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Requesting the Governor to direct the

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Department of Revenue and the Department

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of Commerce and Economic Development to

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include additional public participation

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during their development of charitable

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gaming regulations.

11 BE IT RESOLVED BY THE SENATE:

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WHEREAS in 1988 the Fifteenth Alaska State Legislature adopted compre-

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hensive legislation governing games of chance and contests of skill in the

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form of the Alaska Gaming Reform Act; and

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WHEREAS the Department of Revenue is currently responsible for adopt-

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ing regulations implementing the Alaska Gaming Reform Act; and

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WHEREAS responsibility for regulating charitable gaming activities in

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the state will be transferred from the Department of Revenue to the Depart-

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ment of Commerce and Economic Development July 1, 1989; and

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WHEREAS the Department of Revenue released draft regulations on

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April 4, 1989, with the stated intent of implementing the regulations

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before the transfer of responsibility for regulating charitable gaming

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activities to the Department of Commerce and Economic Development; and

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WHEREAS the Department of Revenue and the Department of Commerce and

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Economic Development have agreed to jointly conduct public hearings on the

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proposed regulations and have agreed that the regulations will not be

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implemented until after the Department of Commerce and Economic Development

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assumes regulatory responsibility; and

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WHEREAS the limited time frame and the extensive and complex nature of

1 the draft regulations will make it difficult for charitable gaming orga-
2 nizations to adequately review and reasonably participate in public hear-
3 ings on the draft regulations; and

4 WHEREAS it may be necessary for the Department of Commerce and Eco-
5 nomic Development to extend the public comment period in order for charita-
6 ble gaming organizations to more fully participate in the review process;
7 and

8 WHEREAS it is anticipated that it will be several months before the
9 draft regulations will be implemented after the public comment period
10 closes; and

11 WHEREAS the primary purposes of the 1988 Act were to encourage char-
12 itable gaming organizations to manage their own gaming permits, to estab-
13 lish strict licensing guidelines and accountability for operators that
14 charitable organizations choose to engage, to establish strict regulation
15 for all charitable gaming activities to provide protection to charitable
16 organizations, and to establish procedures for efficient regulation by the
17 department; and

18 WHEREAS current practices of the Department of Revenue and the draft
19 regulations may not adequately implement the intent of the legislature in
20 adopting the 1988 Act and may not extend the protections to charitable
21 organizations provided for under the Act; and

22 WHEREAS current practice of the Department of Revenue has permitted
23 certain entities to operate charitable gaming activities in a manner not
24 envisioned by the legislature in adopting the 1988 Act; and

25 WHEREAS the state's charitable gaming organizations provide essential
26 services to the state and to communities and are entitled to the full
27 protection of the law and assistance from agencies responsible for their
28 regulation and should, to the fullest extent possible, participate in
29 developing guidelines under which they will be regulated;

1 BE IT RESOLVED that the Senate respectfully requests the Governor to
2 direct the commissioner of commerce and economic development to hold addi-
3 tional public hearings after the July 1 transfer of responsibility for
4 regulating charitable gaming activities, and to extend the public comment
5 period if necessary to assure reasonable and informed participation by
6 charitable gaming organizations; and be it

7 FURTHER RESOLVED that the Governor direct the commissioner of commerce
8 and economic development to work closely with charitable gaming organiza-
9 tions and members of the public to develop comprehensive regulations that
10 reflect both the letter and intent of the law adopted by the legislature so
11 that charitable organizations are adequately protected and that persons
12 working in charitable gaming activities are adequately regulated.