

**CS FOR SENATE BILL NO. 370(FIN)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**EIGHTEENTH LEGISLATURE - SECOND SESSION**

**BY THE SENATE FINANCE COMMITTEE**

**Offered: 4/27/94**  
**Referred: Rules**

**Sponsor(s): SENATE TRANSPORTATION COMMITTEE BY REQUEST**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act providing an exemption from gambling laws for gambling conducted by  
 2 cruise ships for their ticketed passengers in the offshore water of the state;  
 3 relating to promotions on board cruise ships; defining 'cruise ship'; providing for  
 4 exemption procedures for certain cruise ships before they can conduct gambling  
 5 in the offshore water of the state; and providing for an effective date."

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

7 \* Section 1. AS 05.15 is amended by adding a new section to read:

8 **ARTICLE 4. CRUISE SHIP EXEMPTION.**

9 **Sec. 05.15.250. EXEMPTION OF CRUISE SHIPS.** (a) A cruise ship may  
 10 conduct gambling under AS 11.66.275 in the offshore water of the state if

11 (1) the operator of the cruise ship annually applies on a date set by the  
 12 department on a form provided by the department;

13 (2) the operator of the cruise ship agrees to comply with AS 45.50.474;

1 and

2 (3) the operator pays the annual exemption fee required under (b) of  
3 this section.

4 (b) The exemption fee for a cruise ship to conduct gambling under (a) of this  
5 section is for cruise ships with a capacity of

- 6 (1) 500 or fewer passengers . . . . . \$10,000;
- 7 (2) 501 - 999 passengers . . . . . \$20,000;
- 8 (3) 1000 - 1999 passengers . . . . . \$30,000;
- 9 (4) 2,000 passengers or more . . . . . \$40,000.

10 (c) The department shall revoke the exemption of a cruise ship that becomes  
11 ineligible to hold an exemption under this section, provides false information in an  
12 application for an exemption, violates an order issued under AS 05.15.200, or conducts  
13 gambling in violation of the provisions of AS 11.66.275. When revoking an  
14 exemption under this subsection, the department may bar a cruise ship from obtaining  
15 an exemption under this section in the future or for a specified number of years in the  
16 future.

17 (d) Except for AS 05.15.195, 05.15.200, and 05.15.210, other provisions of this  
18 chapter do not apply to gambling on a cruise ship.

19 (e) In this section,

20 (1) "cruise ship" means a ship that operates at least 120 days a year  
21 anywhere in the world, provides cruises of at least 72 hours in length for ticketed  
22 passengers, provides overnight accommodations and meals for those passengers, is  
23 operated by an authorized cruise ship operator, and is certified under the International  
24 Convention for the Safety of Life at Sea or otherwise certified by the United States  
25 Coast Guard;

26 (2) "offshore water of the state" has the meaning given in  
27 AS 11.66.275.

28 \* Sec. 2. AS 05.15.200(b) is amended to read:

29 (b) A person who, with the intent to mislead a public servant in the  
30 performance of the public servant's duty, submits a false statement in an application  
31 for a permit, license, exemption, or vendor registration under this chapter is guilty of

1 unsworn falsification.

2 \* Sec. 3. AS 05.15.200(b) is amended to read:

3 (b) A person who, with the intent to mislead a public servant in the  
4 performance of the public servant's duty, submits a false statement in an application  
5 for a permit, license, [EXEMPTION,] or vendor registration under this chapter is guilty  
6 of unsworn falsification.

7 \* Sec. 4. AS 11.66 is amended by adding a new section to read:

8 Sec. 11.66.275. CRUISE SHIP EXEMPTION. (a) The provisions of  
9 AS 11.66.200 - 11.66.280 do not apply to gambling conducted by a cruise ship for its  
10 ticketed passengers in the offshore water of the state if

11 (1) the cruise ship is exempt under AS 05.15.250; and

12 (2) the gambling is ancillary to the cruise and the cruise has as its main  
13 purpose scenic cruising and port visits at maritime communities in the state.

14 (b) In this section,

15 (1) "cruise ship" means a ship that operates at least 120 days a year  
16 anywhere in the world, provides cruises of at least 72 hours in length for ticketed  
17 passengers, provides overnight accommodations and meals for those passengers, is  
18 operated by an authorized cruise ship operator, and is certified under the International  
19 Convention for the Safety of Life at Sea or otherwise certified by the United States  
20 Coast Guard;

21 (2) "offshore water of the state" means the marine water over which  
22 the state has jurisdiction.

23 \* Sec. 5. AS 45.50.471(b) is amended by adding a new paragraph to read:

24 (37) violating AS 45.50.474 (on board promotions).

25 \* Sec. 6. AS 45.50 is amended by adding a new section to read:

26 Sec. 45.50.474. REQUIRED DISCLOSURES IN PROMOTIONS ON BOARD  
27 CRUISE SHIPS. A person may not conduct a promotion on board a cruise ship that  
28 mentions or features a business in a state port that has paid something of value for the  
29 purpose of having the business mentioned or featured, unless the person conducting  
30 the promotion clearly and fully discloses orally and in all written materials used in the  
31 promotion that the featured businesses have paid to be included in the promotion. A

1 violation of this section constitutes an unfair trade practice under AS 45.50.471. In  
2 this section, "cruise ship" means a ship that operates at least 120 days a year anywhere  
3 in the world, provides cruises of at least 72 hours in length for ticketed passengers,  
4 provides overnight accommodations and meals for those passengers, is operated by  
5 an authorized cruise ship operator, and is certified under the International Convention  
6 for the Safety of Life at Sea or otherwise certified by the United States Coast Guard.

7 \* Sec. 7. AS 05.15.250 and AS 11.66.275 are repealed December 31, 1996.

8 \* Sec. 8. Section 3 of this Act takes effect December 31, 1996.

9 \* Sec. 9. Except for sec. 3 of this Act, this Act takes effect immediately under  
10 AS 01.10.070(c).