

HOUSE CS FOR CS FOR SENATE BILL NO. 370(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 5/6/94

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 as permitted under AS 11.66.275 in the offshore water of the state**
11 **if**

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

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

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

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

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

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

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

20 (e) In this section,

21 (1) "cruise ship" means a ship that operates at least 120 days a year
22 anywhere in the world, provides cruises of at least 72 hours in length for ticketed
23 passengers, provides on board the ship overnight accommodations for at least 300
24 passengers, is operated by an authorized cruise ship operator, and is certified under
25 the International Convention for the Safety of Life at Sea or otherwise certified by the
26 United States Coast Guard;

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

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

30 (b) A person who, with the intent to mislead a public servant in the
31 performance of the public servant's duty, submits a false statement in an application

1 for a permit, license, exemption, or vendor registration under this chapter is guilty of
2 unsworn falsification.

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

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

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

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

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

13 (2) the cruise ship does not conduct gambling in, or within three miles
14 of, a state port visited by the cruise ship;

15 (3) the gambling is ancillary to the cruise and the cruise has as its main
16 purpose scenic cruising and port visits at maritime communities in the state; and

17 (4) the cruise ship operates under an itinerary that either originates or
18 terminates in a port outside the state.

19 (b) 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 on board the ship overnight accommodations for at least 300
23 passengers, is operated by an authorized cruise ship operator, and is certified under
24 the International Convention for the Safety of Life at Sea or otherwise certified by the
25 United States Coast Guard;

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

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

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

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

31 Sec. 45.50.474. PROHIBITION OF CERTAIN ADVERTISING

1 **PROMOTIONS ON BOARD CRUISE SHIPS.** A person may not conduct an
2 advertising promotion on board a cruise ship that mentions or features a business in
3 a state port that has paid something of value for the purpose of having the business
4 mentioned or featured. This prohibition does not apply to on-shore excursions that are
5 sold on board a cruise ship. A violation of this section constitutes an unfair trade
6 practice under AS 45.50.471. In this section, "cruise ship" means a ship that operates
7 at least 120 days a year anywhere in the world, provides cruises of at least 72 hours
8 in length for ticketed passengers, provides on board the ship overnight
9 accommodations for at least 300 passengers, is operated by an authorized cruise ship
10 operator, and is certified under the International Convention for the Safety of Life at
11 Sea or otherwise certified by the United States Coast Guard.

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

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

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