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COMMITTEE REPORT

SENATE

FURTHER: JUDICIARY

1/31/82

Date:

2/23/82

Mr. President:

The Committee on STATE AFFAIRS has had SB 632

games of chance and contests of skill

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendmerts(s)
- replace with CS for SB 632  same title  
 rew title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

\_\_\_\_\_

\_\_\_\_\_

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CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSB 632 (State Affairs)  
 Title "An Act relating to games of chance..."  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Department of Public Safety  
 Program Category Affected Administration of Justice  
 BRU, Program, Or Subprogram(s) Affected Alaska State Troopers  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

If gambling became legalized in the State of Alaska as a result of the passage of this bill, a substantial impact upon the Division of Alaska State Troopers would take place. The degree of such an impact is not known at this time. An extensive study would have to be made to address the degree of impact that would take place upon the populace of the state and the law enforcement needed to control the negative factors involved. See attached memorandum from Colonel T.R. Anderson.

IV. DATE March 16, 1982

PREPARED BY Francis C. Allan  
 AGENCY Department of Public Safety  
 PHONE 269-5691

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)



# Alaska State Legislature

## Senate Committee on State Affairs

Vic Fischer, Chairman • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

Official Business

### MEMORANDUM

TO: Sen. Pat Rodey  
FROM: Sen. Vic Fischer *Vic*  
DATE: March 3, 1982  
RE: SB 632, games of chance

In approving a committee substitute, the State Affairs Committee omitted a section initially proposed by Sen. Parr that eliminated a ceiling on the amount of prizes that could be awarded in a lottery.

We did not really address this issue, the principal response being that we should not remove any limit.

At the same time, there was recognition that the current \$30,000 limit is too low. You might consider a provision increasing the present limit to \$80,000 or \$100,000.

Thanks for your consideration.

Last year the Department of Revenue asked the Attorney General for an opinion as to whether or not municipalities qualified under AS 05.15 as qualified organizations. Susan Burke, assistant attorney general, in an opinion dated February 4, 1981, said that they did not. This change would include municipalities as organizations eligible for permits under Title 5.

Sec. 05.15.100. COMMISSIONER OF REVENUE MAY ISSUE PERMITS. The commissioner of revenue may issue a permit to a qualified organization or municipality. The permit gives the organization the privilege of conducting games of chance and contests of skill including bingo, raffles and lotteries, ice classics, rain classics, dog musher's contests, and fish derbies [AND CONTESTS OF SKILL].

Sec. 05.15.140. PROOF NECESSARY TO QUALIFY FOR PERMIT. The commissioner of revenue may not issue or renew a permit except upon proof, satisfactory to him, that the applicant is a qualified organization or municipality, and activity may be permitted under this chapter....

From Sen.  
Stupulewski

United States Coast Guard  
CHIEF PETTY OFFICERS ASSOCIATION

P. O. BOX 3-5000  
JUNEAU, AK 99802

10 December 1981



Charles H. Parr  
Alaska State Senator  
S. R. Box 50599  
Fairbanks, Alaska 99701

Dear Mr. Parr:

The U. S. Coast Guard Chief Petty Officers Association, Juneau Chapter is presently quite concerned over notice from the Alaska Department of Revenue concerning action aimed at prohibiting for sale after 31 December 1981 any games of chance known widely as "Pull-Tabs."

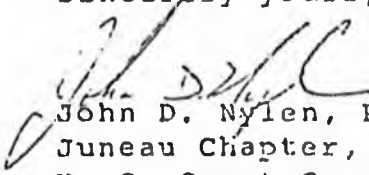
As a non-profit organization dependent on these games as a source of revenue to support many worthwhile community activities, I would respectfully request that you would initiate appropriate legislation to reinstate the present regulation so that "Pull-Tabs" would remain a source of revenue for those organizations holding valid Games of Chance and Skill Permits.

Revenues from the sale of "Pull-Tabs" has enabled my organization to help fund the following projects or activities with monetary donations, and which we would no longer be able to support should we lose this source of revenue.

- |                                      |                  |
|--------------------------------------|------------------|
| 1. Senior Citizens Christmas Dinner  | 1980 - \$1750.00 |
| (Estimated)                          | 1981 - \$2000.00 |
| 2. Juneau Youth Football             | 1980 - \$2500.00 |
|                                      | 1981 - \$ 250.00 |
| 3. Juneau Little League Baseball     | Annual \$ 300.00 |
| 4. Boy Scouts of America             | Annual \$ 25.00  |
| 5. Delegate to CPOA Nat'l Convention | Annual \$ 750.00 |
| 6. Little League Bowling             | 1981 \$ 40.00    |

This is only a partial list of activities which we help support monetarily, or to better and strengthen our own National Organization. We are a small Chapter of only 67 active members, but these revenues are vital to our present programs if we are able to continue or expand.

Sincerely yours,

  
John D. Nylan, President  
Juneau Chapter, CPOA  
U. S. Coast Guard

# *Kenaitze Indian Tribe*

P. O. BOX 988  
KENAI, ALASKA 99611  
(907) 283-3633

January 27, 1982

Senator Charles Parr  
Pouch V  
Juneau, Alaska 99811

Dear Senator Parr,

The Kenaitze Indian Tribe has only been conducting Bingo games since the 29th of October on a twice weekly basis (Tuesday and Thursday), so we have not had any profit so far. But the money we made with pull-tabs did pay for most of our equipment before they were stopped. At the present time, without pull-tabs, we are just managing to pay expenses.

We had definite plans to utilize any profits from pull-tabs and Bingo to assist our educational program here at K. I. T. and also for employment training for our tribal members. We also are very concerned with the loss of our culture and language and would have used some of the profits to assist our work in retaining some vestiges of our language.

Please make every effort to see that Senate Bill 632 is passed.

Thank you very much for your efforts and we are looking forward to having pull-tabs back on our tables in the near future.

Sincerely,

June Lindgren-Gagnon  
Bingo Director

January 25, 1982

Dear Sir:

As many other organizations, we also would not like to see the use of pull-tab's stopped. It has helped us in many way's with our bingo. We have helped many people with the profit of pull-tabs. We've helped the Kake City Schools, cheerleaders, band, Indian dancer's, and we helped also with high school scholarship fund. We also help Kake Health Council, police department, fire department, churches and Alaska Native Sisterhood. We would appreciate it if you would help make them legal again. Thank you.

Sincerely,

Lena Skeck

Kake Heari Start Bingo

# MIDNIGHT SUN LIONS

FAIRBANKS, ALASKA

600 Steese Hwy  
99701

January 28, 1982

State Senator Charlie Parr  
Pouch V  
Juneau, Alaska 99811

Dear Senator Parr:

The Midnight Sun Lions Club of Fairbanks, Alaska was established on February 11, 1955. Since that time we have contributed to many charitable projects within our community.

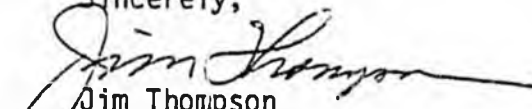
Most of the years since 1955 we have solicited funds from the public such as individuals and businesses through Lotteries or Raffles or in some cases just asking for donations. We were able to raise money to help many worthwhile community projects that were not able to get the assistance they needed from Government.

Several years ago we adopted Bingo and through Bingo have been able to raise money necessary to help our community such as listed below.

1. We donated about 25 baskets of food each Thanksgiving and each Christmas to those that were recommended to us as needing help. This past Thanksgiving we gave out over 30 baskets totaling over \$2000.00.
2. We support the Fairbanks Health Center who operates our Lions Revolving Fund to procure eye glasses for those that cannot to afford them or who does not qualify from the Gov't. Our donations have been averaging about 1500.00 per year.
3. Donation to Santa Calls, sponsored by Fbks News-Miner, \$1000.00
4. Donated to Fbks Memorial Hosp and optional piece of equipment for the Lazer Beam Machine that will remove Birthmarks estimate cost \$10,000.00.
5. PRIOR TO DISCONTINUATION OF THE PULL TABS, HAD ENTERED INTO AGREEMENT WITH THE NORTH STAR BOROUGH TO PLAN TO SPEND AT LEAST \$43,000.00 ON THE PLAYGROUND THAT WE DONATED TO THE BOROUGH LATELY SO THAT IT COULD BE UPDATED AND BE SIMILAR TO OTHER PLAYGROUNDS. ( THIS WILL HAVE TO BE POSTPONED FOR NOW)
- 6 There are many other charitable things we contribute to each month such as , People that have been burned out, Special Olympics, Boy Scouts, Girl Scouts, Senior Citizens to name a few, in fact this past year we contributed to our community over \$28,000.00 that either would not have been possible or the people would go without unless the Government Helped.

We intend to help our community as much as possible regardless, however we have been able to do so much since we have been able to have Bingo and Pull Tabs. We hope you will be able to help us continue with our Bingo as operated in the past so we can help even more.

Sincerely,

  
Jim Thompson  
Bingo-Coordinator  
Midnight Sun Lions

The  
American  
Legion



For God and Country

JACK ALLMAN POST 17

☆ P.O. BOX 687 ☆ KODIAK, ALASKA 99615 ☆ (907) - 486 - 5757 ☆

January 28, 1982

Honorable Senator Charlie Parr  
Pouch V  
Juneau, Alaska 99811

Dear Senator Parr:

Enclosed is a copy of the information you requested as back-up material for SB 632. We are very pleased that you have introduced this bill to assist all service organizations within the State.

We consider passage of this bill vital to our continuing efforts to assist worthwhile organizations and needy individuals.

We have testified before the Teleconference Committee on a companion bill introduced in the House (HB 640). If we can be of further assistance to assure passage of this bill, please let us know.

Again, we would like to thank you for your efforts on our behalf.

Sincerely,

*Raye E. Wilson*

Raye E. Wilson  
Post Commander

REW/pm

encl.

List in detail all dedications of net proceeds. Give the full name of each recipient and indicate the reason or purpose of the payment. Use additional pages as necessary, or any reasonable facsimile that contains all of the requested information.

Failure to report dedications of net proceeds in detail may result in the nonrenewal of your games of chance and skill permit.

AS 05.15.150 LIMITATION ON USE OF NET PROCEEDS. (a) The authority to conduct the activity authorized by this chapter is contingent upon the dedication of the net proceeds of the games or contests to the awarding of prizes to contestants or participants and to political, educational, civic, public, charitable, patriotic, or religious uses in the state. "Political, educational, civic, public, charitable, patriotic, or religious uses" mean uses benefiting persons either by bringing them under the influence of education or religion or relieving them from disease, suffering, or constraint, or by assisting them in establishing themselves in life or by providing for the promotion of the welfare and well-being of the membership of the organization within their own community, or through aiding candidates for public office or groups which

support candidates for public office, or by erecting or maintaining public buildings or works, or lessening the burden on government, but do not include the erection, acquisition, improvement, maintenance or repair of real, personal or mixed property unless it is used exclusively for one or more of the uses stated.

(b) The net proceeds derived from the activity must be devoted within one year to one or more of the uses stated. An organization desiring to hold the net proceeds for a period longer than one year must apply to the Commissioner of Revenue for special permission, and upon good cause shown, the Commissioner may grant the request.

NAME OF RECIPIENT OF DEDICATION	REASON OR PURPOSE	AMOUNT GIVEN
The Flower Pot	Flowers to the Sick - 1981	\$ 810.05
Kodiak Cable T.V.	T.V. for Hope House	\$374.85
National Emblem Sales	Patches for Baseball Jackets	\$ 19.35
Bill Hatch Sporting Goods	Caps for Baseball Team	\$ 87.26
L & S Travel	American Legion Baseball Team	\$2195.00
American Legion Baseball	Team Fees - State Tournament	\$ 110.00
American Legion Baseball Manager	Expenses-Baseball State Tournament	\$2550.00
Hertz	Delegate Travel	\$ 805.60
Kitchen American Legion	Delegate Convention Fees	\$ 819.00
Travelers Inn	Department Convention-Hotel Room	\$ 49.68
Bovey Trophies	1980&1981 Donation 4th of July Activities	\$3745.50
George W. Parker Sr.	Aid to Veteran	\$ 100.00
Genevieve Still	Aid to Family of Deceased Vets	\$ 665.00
Coronary Heart Research	Donation	\$ 25.00
Tona Perez	Aid to Veteran	\$ 200.00
American Legion Auxiliary	Movie for Children's Christmas Party	150.00
B.P.O.E. Elks	Donation	\$ 50.00
U.S.O.	Donation	\$ 25.00
C.A.R.E.	Donation	\$ 25.00
TOTAL DEDICATION OF NET PROCEEDS. Enter here and on page 1, line 11.....		\$ CONT.

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NAME OF RECIPIENT OF DEDICATION	REASON OR PURPOSE	AMOUNT GIVEN
March of Dimes	Donation	\$ 25.00
Hope	Donation	26.00
American Kidney Fund	Donation	25.00
Federation of the Blind	Donation	20.00
L & S Travel	S.E. Distric Convention Delegates	684.00
William Bishop	TO: Reimburse Western District Convention Delegate Fees & Housing	700.00
Kodiak Chamber	Donation	150.00
James Stewart	Aid to Veteran	300.00
Shelikoff Lodge	Lodging for Veterans Funeral	262.71
March of Dimes	Donation	25.00
L & S Travel	Donation: Transportation Spelling Bee	202.00
Hertz	Delegate Travel	768.00
National Glaucoma Research	Donation	25.00
Guiding Eyes for Blind	Donation	25.00
L & S Travel	Western District Convention Delegates Travel	388.05
National Cancer Center	Donation	25.00
Blinded Veterans Association	Donation	25.00
Attu Memorial Fund	Donation	200.00
American Legion Auxiliary	Donation	300.00
TOTAL DEDICATION OF NET PROCEEDS. Enter here and on page 1, line 11.....		\$ Cont.

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NAME OF RECIPIENT OF DEDICATION	REASON OR PURPOSE	AMOUNT GIVEN
Vietnam Veterans Memorial Fund	Donation	\$ 100.00
Blair & Hickman	11 Tickets to Ketchikan Department Convention	2849.00
Gullivers Travel	Donation - Baseball trip	1920.00
Child Welfare	Donation	200.00
Kodiak 4-H	Donation	300.00
Eggemevers, Inc.	Clothing Fire Victims	200.00
Sentry Insurance	Insurance for Baseball Team	65.00
St. Judes	Donation	245.00
American Legion Dept. of Alaska	Convention Registration Fees	40.00
Erickson	Donation: Jackets for Baseball Team	770.00
V.F.W.	Donation	551.14
George Parks Sr.	Aid to Veteran	100.00
The Wash Tub	Donation: Cleaning Baseball Uniforms	136.62
Salvation Army	Donation	500.00
Ruben A. Meeks	Aid to Veteran	200.00
Brent Sngita	Donation: Baseball Camp Tuition	325.00
Jack Couchy	Donation - Memorial Services	40.00
L & S Travel	Transportation: Conference in Anchorage for Delegates	830.00
Santa To The Villages	Donation	100.00
TOTAL DEDICATION OF NET PROCEEDS. Enter here and on page 1, line 11.....		\$ CONT.

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NAME OF RECIPIENT OF DEDICATION	REASON OR PURPOSE	AMOUNT GIVEN
L & S Travel	Aid to Veteran	\$ 250.00
Waldo's	Donation: Thanksgiving Turkeys	182.40
James Stewart	Aid to Veteran	300.00
American Kidney Fund	Donation	100.00
Blinded Veteran Association	Donation	100.00
Mel Wheeler	Aid to Veteran	500.00
U.S.O.	Donation	100.00
Coronary Heart	Donation	50.00
George Morrell	Aid to Veteran	500.00
Patricia Lczinac	Donation for: Aid to Polish Immigrants	300.00
American Legion Emblem Sales	Donation: Flags	37.60
Blumenfeld Sport Company	Equipment American Legion Baseball	160.00
Bill Hatch Sporting Goods	Balls & Shirts American Legion Baseball Team	290.84
TOTAL DEDICATION OF NET PROCEEDS. Enter here and on page 1, line 11.....		\$ 29,324.65



# Ft. Yukon Lions Club

Box 5

Ft. Yukon, Alaska 99740

January 27, 1982

Charlie Parr  
Pouch V  
Juneau, Alaska 99811

Mr. Parr:

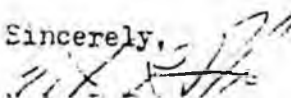
Received your letter and copy of SB 632 and appreciate you letting the club know what's happening with the "Pull-Tabs".

Below is a listing of projects that were completed by the selling of "Pull-Tabs".

A. Donated to city of Ft. Yukon 4 th of July Parade	\$ 200.00
B. Registration fee for Youth Camp in Fairbanks	130.00
C. Disaster Fire Victims Burned Out	400.00
D. Lions Park and Playground and controll center	18,657.07
E. Elderly eye-glasses	243.00
Total	<u>\$ 19630.07</u>

We would appreciate knowing the results of SB 632 whenever it comes on the floor to vote on.

Sincerely,

  
Nels R Petersen  
Secretary Ft. Yukon Lions

# LOYAL ORDER OF MOOSE

FAIRBANKS LODGE No. 1392  
CLELAND P. DUNBAR • SECRETARY  
507 GAFFNEY RD. • FAIRBANKS, AK 99701

The following is a list of the organizations which have received donations from the Fairbanks Loyal Order of Moose within the last three years.

Girl Scouts	\$ 2,780.00
Boy Scouts	2,780.00
Campfire Girls	2,780.00
U S O	5,000.00
Alaska Crippled Children	2,780.00
Red Cross	1,500.00
Literary Council	1,865.00
Santa's Clearing House	6,000.00
Youth Hockey	3,300.00
United Way	1,500.00
M S	1,000.00
Special Olympics	1,000.00
Close-Up Foundation	1,169.00
Northern Region Volleyball	300.00
West Valley Band	870.00
Fireman's Association	950.00
M D A	525.00
Fairbanks Junior Bowling	980.00
North Pole Wrestling	1,750.00
Fairbanks Softball	1,950.00
Cancer Fund	500.00
West Valley Basketball	1,500.00
Little League	1,250.00
Youth Soccer	450.00
Lions	1,600.00
Fairbanks Women's Softball	175.00
Four H	150.00
Shrine Crippled Children	500.00

Cont.

# LOYAL ORDER OF MOOSE

FAIRBANKS LODGE No. 1392  
CLELAND P. DUNBAR • SECRETARY  
527 GAFFNEY RD. • FAIRBANKS, AK 99701

React	300.00
Alaska Peace Officers	125.00
Fairbanks Junior Basketball	856.00
Youth Bowling	992.00
Sweet Adelines	500.00
Acalia Chapter #5	100.00
Mooseheart Bowling	750.00
Kids Christmas	200.00
West Valley Yearbook	200.00
Delta Yearbook	110.00
Blizzard	95.00
Fairbanks Men's Softball	450.00
Fairbanks Youth Hockey	300.00
Safety, Inc.	605.00
Astro Little League	200.00
Randy Talui	300.00
Northern Lights Jaycees	100.00
	<hr/>
	\$53,168.00



SEWARD LODGE No. 1773

B. P. O. Elks

P. O. BOX 426  
SEWARD, ALASKA

December 16, 1981

TO THE LEGISLATORS, STATE OF ALASKA

We members of Seward Elks Lodge #1773 urge you to either include legislation or change the law thereby permitting the legality for sale of Pull Tabs for non-profit organizations. As many of you probably know, letters have been received from Ervin Jones, Office Audit Manager, stating "Pull Tabs" and other such devices will be disallowed under authorized permittee's permit as of December 31, 1981.

During our weekly Bingo games and at our non-profit Club, both under auspices of the Elks Lodge, Pull Tabs have been sold. All of the profits derived from Bingo and Pull Tabs are allocated for charitable purposes under our Games of Chance and Skill permit. From these sources the major share of our Lodge donations for charity have been derived.

WE urge you to use your good Office to change this provision thereby allowing the sale of Pull Tabs to be legal for non-profit organizations.

Thank you for your indulgence and consideration.

Sincerely yours,

Harold W. Davis  
Secretary



# COOK INLET NATIVE ASSOCIATION

670 West Fireweed Lane  
Anchorage, Alaska 99503  
(907) 278-4641

January 22, 1982

Senator Charles H. Parr  
Alaska Legislature  
Pouch V  
Juneau, AK 99811

Dear Senator Parr:

Thank you for your letter and the copy of Senate Bill No. 632. We support Senate Bill No. 632 as we feel that pull-tabs should be legal. They are a large fund raiser for organizations such as ours and therefore enable us to make donations to other organizations and to carryout certain functions on behalf of the Native population of the Cook Inlet Region. Without the funds we could not perform any of these functions.

The following is a partial list of the worthy causes for which we use funds raised through the use of pull-tabs:

1. Twenty - thirty scholarships per year awarded to Native students enrolled in colleges and universities throughout the United States.
2. Annual Christmas Baskets Program which gives one hundred twenty-five baskets of food to low income families each year.
3. Annual Christmas party for two hundred Native children from low income families.
4. Support for the annual Miss CINA Scholarship Pageant.
5. Donations to organizations such as the Association for the Deaf, Association for the Blind, Multiple Sclerosis, Cerebral Palsy, etc.
6. Donations to Native families who have had deaths in their families and do not have funds for transportation, funerals, etc.

Letter to Senator Charles H. Parr  
January 22, 1982

Page 2

7. Donations to various programs for Native Arts.
8. Donations to school programs which teach Native culture.

The list is longer than this, but these are the items funded every year. With the decline in Bingo revenue (due to no pull-tabs) that we are currently experiencing, few of these items, if any, will be funded in 1982 or in future years. We feel that without these donations to the community that many Native families and programs will suffer greatly.

If there is any further information that we can furnish to you, please let us know. Our telephone number is 278-4641. Thank you.

Sincerely,



Sharon D. Sobocienski  
Deputy Director

SDS:klm



# RAILBELT SCHOOL DISTRICT

---

Drawer 129, Healy, Alaska 99743 • (907) 683-2278  
James W. Paul, Superintendent

January 20, 1982

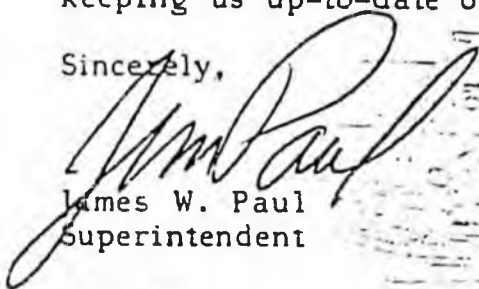
The Honorable Charles H. Parr  
Alaska State Legislature  
Pouch V (MS3100)  
Juneau, Alaska 99811

Dear Senator Parr:

Thank you for your recent letter regarding SB 632 and use of pull-tabs.

Our school district has not used any pull-tabs in connection with our Games of Chance and Skill permit. However, we appreciate your concern and your keeping us up-to-date on this issue.

Sincerely,



James W. Paul  
Superintendent

JWP:ca



274-4344

# Alaska Shrine Temple

A.A.O.N.M.S.  
Oasis of the Midnight Sun  
Desert of Alaska



P. O. Box 1293  
Anchorage, Alaska 99510

January 21, 1982

Charles H. Patt  
Alaska Legislature  
Pouch V  
Juneau, AK 99811

RE: Your letter of January 19 on Senate Bill #632

Dear Senator Patt,

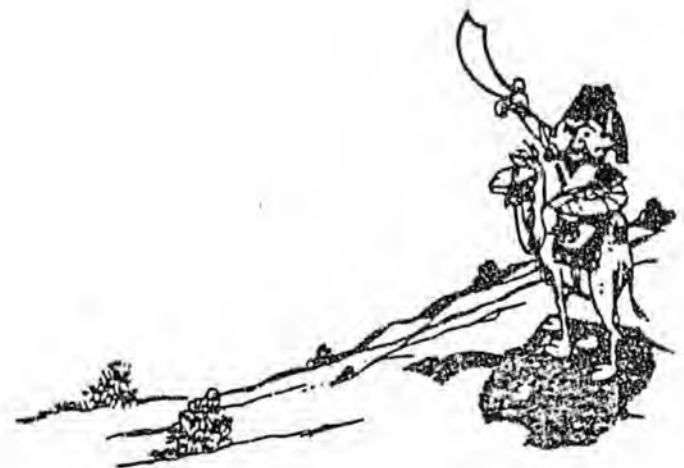
For many years we have used our permit for games of skill and chance for a bingo concession. The monies received have gone for the transportation of Alaska children from their home to the Shrine Hospital in Portland, Oregon for free treatment of Orthopedic or burns conditions.

The bingo is an important part of our revenue, and we have been told that without pull tabs it could cease to be so. Consequently, it is our hope that Senate Bill #632 will be passed.

Sincerely yours,

Roger O. Purcell  
Recorder

POP:brh





NORTH STAR COUNCIL ON AGING, INC.

P.O. BOX 73888 • FAIRBANKS, ALASKA 99707

AREA CODE 907-452-1735

January 21, 1982

Senator Charles H. Parr  
Pouch V, MS 3100  
Juneau, Ak 99811

Re: Permit No. 82-181

Dear Senator Parr:

Your letter of January 14th with reference to the "pull-tab" problem was received by this agency as the holder of the above permit number. Though this agency, at the present time, is not fortunate enough to have a sponsor for a bingo game (which would of course include pull-tabs), I am most concerned about the Governor's decision to make these games of chance illegal. North Star Council on Aging at the present time has only been having small raffles to help promote cash to meet our federal matching funds requirements. However, as the money situation grows tighter we may have to resort to other types of income producing methods and the bingo, together with pull-tabs, would, of course, be our next avenue.

As an additional bit of information together with support for the continuance of pull-tabs - I am presently serving as vice-president of the Fairbanks USO Council, having served three previous terms as president. Since 1977 when Fairbanks lost the support of the National USO (since Alaska is no longer considered an overseas USO operation) I have been very much involved in the fundraising for this organization. The USO was barely able to keep its head above water during these lean years and during 1980 the local Eagles Lodge came forward to assist us with our plans for bingo operation. This has saved the life of the USO in its day to day operational costs. We anticipate experiencing many more military being served presently through the future as the result of the all the bases carrying almost maximum population. The sale of pull-tabs is a most vital part of a bingo operation and must be continued for any of the organizations' operational survival.

As a further aside - we find that many of our elderly people are avid bingo players as it provides for them a means of socializing with their friends, relieving their isolation and providing a means of recreation. If the pull-tabs are allowed to be eliminated, this will also mean the demise of the bingo operations and for many this would be an all-time disappointment as well as depriving them of the joys of being a winner at times.

All of us very much appreciate your and the other legislators efforts in behalf of our community organizations.

Sincerely,

*Genevieve Reininger*  
Genevieve Reininger  
Executive Director

CC: Alice Thompson, President, Fairbanks USO

Meals • Transportation • Information and Referral • Outreach • Escort • Shopping Assistance • Education • Recreation



## FRATERNAL ORDER OF EAGLES NO. 1037

200 First Avenue - Fairbanks, Alaska 99701

### CHARITY FUND DONATIONS For the Year 1981

Close UP Program	\$650.00
West Valley Student Council	\$500.00
March of Dimes	\$500.00
J. Durante Children's FUND	\$1,000.00
Max Baer Heart Fund	\$1,000.00
Art Erhman Cancer Fund	\$1,000.00
Fbks, Memorial Pediatric Ward	\$458.00
Tanana Chiefs Conference	\$250.00
Fbks. Memorial Hosp.	\$1,000.00
Gold Kings	\$693.00
Girls State	\$1,000.00
A.F. of L. Local 481	\$250.00
Fbks. Youth Baseball Assn.	\$500.00
Fbks. Softball Assn.	\$200.00
Fbks. Softball Assn.	\$550.00
Fbks. Softball Assn.	\$125.00
Gymnastics, Inc.	\$1,000.00
Fbks. Youth Boxing	\$500.00
Fbks. Youth Football	\$1,000.00
Interior City Girls Softball Assn.	\$500.00
Alaska Crippled Children's Fund	\$1,040.00
Alaska Goldpanners	\$785.00
Fbks. Softball Assn.	\$100.00
Sons of Norway	\$250.00
No. Star Little League	\$200.00
Fbks. Memorial Hosp.	\$1,620.00
Luthern Pacific U.	\$1,250.00
U. of Alaska	\$1,250.00
Carleton College	\$1,250.00
U. of Oregon	\$1,250.00
Muscular Dystrophy	\$500.00
Fbks. Memorial Burn Center	\$1,000.00
Little Dribblers Girls	\$500.00
West Valley Student Council	\$250.00
Fbks. Hockey Marchant	\$300.00
Art Erhman Cancer Fund	\$500.00
Breast Cancer Detection Center	\$500.00
Turning Point Boys Ranch	\$1,000.00
Fire Fighter's Assn;	\$240.00
Jr. Bowling League:	\$500.00
Pioneer's of Alaska	\$200.00
Young Life	\$500.00
The United Way Fund	<u>\$3,000.00</u>
	\$30,661.00 total

NATIONAL FEDERATION OF THE BLIND OF ALASKA

242 East 5th Avenue  
Anchorage, Alaska 99501  
272-0000

January 22, 1982

Charles H. Parr  
Alaska State Legislature  
Pouch V, State Capitol  
Juneau, Alaska 99811

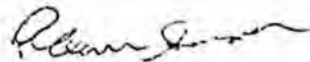
Dear Mr. Parr:

In response to your letter of January 14, 1982 concerning pull-tabs, I reply that once the Department of Revenue cleans up the games of chance by only non-profit organizations totally running the games themselves, then and only then will I be in agreement with your proposed legislation on pull-tabs etc.

We have in the past tried to run games and lost considerably, mainly, because we could not compete with that element involved in Bingo who run it for other organizations.

Furthermore, I'm of the opinion that the Governor will veto any and all attempts to further gambling in any manner in the State.

Sincerely,



Allen Sanderson  
President

# LOYAL ORDER OF MOOSE

PETERSBURG LODGE No. 1092  
BOX 222  
PETERSBURG, ALASKA. 99833

DEAR MR PARR

WITHOUT PULL-TABS THIS PARTICULAR LODGE WILL BE HARD PRESSED TO STAY IN OPERATION & WE WILL CERTAINLY NOT BE ABLE TO COMPLY WITH THE GOALS FOR WHICH WE ARE COMMITTED BY JOINING & PARTICIPATING IN MOOSE LODGE 1092.

THE STATE HAS ALSO DEEMED IT APPROPRIATE THAT WE SPEND APPROX \$60,000.00 FOR FIRE & SAFETY CODES AT THIS TIME. IN ORDER TO OBTAIN SOME TIME NEEDED TO ACCOMPLISH THIS WE HAVE HAD TO CLOSE OUR BASEMENT FACILITIES. OTHER THAN 4 - 6 DINNER FUNCTIONS ANNUALLY THE MAIN LOSS IS WE HAD TO EVICT THE BOY SCOUTS & CAN NO LONGER HOLD TEEN DANCES ETC.

THE LODGE ITSELF OR ANY MEMBERS AS INDIVIDUALS DO NOT CARE WHAT THE INTEREST RATES FOR TCD'S OR ANYTHING LIKE THAT. OUR PROFITS ARE USED IN SUPPORT OF THE YOUNG PEOPLE OF THE COMMUNITY & IT'S SENIOR CITIZENS.

THE FOLLOWING IS A LIST OF ITEMS WE HAVE USED OUR PROFITS FOR IN THE PAST AND WOULD LIKE TO CONTINUE IN THE FUTURE.

SCHOLARSHIPS BOTH LOCAL & STATEWIDE

TEEN DANCES & ANY OTHER FUNCTIONS THAT CAN PROVIDE THEM SOME SMALL MEANS OF STAYING OUT OF TROUBLE.

BOY SCOUT FACILITIES & DONATIONS

GIRL SCOUT DONATIONS

SALVATION ARMY DONATIONS

CHILDRENS PICNICS & PARTIES

SENIOR CITIZENS PICNICS AND DINNERS

TRANSPORTATION FOR ANY EVENT

DONATIONS FOR SOCCOR & LITTLE LEAGUE BALL

SUPPORT OF CHILDRENS FACILITIES AT MOOSEBART & SENIOR CITIZENS AT MOOSEHAVEN

CHILDRENS MOVIES AT LOCAL THEATRE

A PLACE FOR FAMILIES TO CONGREGATE WITH A PLEASANT ATMOSPHERE NOT FOUND IN TOO MANY OF THE PRIVATELY OWNED LOUNGES OR SALOONS

*Thant*  
*Bill Miller* Secretary



# SOLDOTNA LIONS CLUB

District 49A, Box 1823, Soldotna, Alaska 99669

January 26, 1982

CHARLIE PARR  
Alaska Legislature

Fouch V  
Juneau, Alaska 99811

Dear Sir:

The Soldotna Lions have taken on the task of purchasing for our community a community building. We decided to do this on our own instead of asking for funds from State or Federal Government. This is a badly needed building in our area and will be for use by all non-profit organizations on a free basis. Our Bingo and Pull-Tab operation would eventually pay for this building but when Pull-Tabs were declared illegal our program practically stopped.

The Soldotna Lions also have various programs going on at all times, eye exams and glasses for needy persons, eye freezing unit for Peninsula Hospital, Scholarships, Klodde Park, Bus Shelters for students and many and any other service we are asked to perform.

The Pull\*Tabs are a very vital fund raiser and the community seems to accept them and recognize our need of them as a fund raising means.

Yours Truly,

  
Don C. Buchanan  
Bingo Chairman

NORTH SLOPE BOROUGH  
VILLAGE COORDINATOR *Box 173*  
PT. HOPE, ALASKA 99766

January 22, 1982

Alaska Legislature  
Sen. Charlie Parr  
Pouch V  
Juneau, Alaska 99811

RE: Senate Bill 632

Dear Sen. Parr,

On behalf of City of Point Hope, not only am I a Mayor representing the organizations concerning the worthy causes with pull-tab monies, I also represent other civic affairs that I belong to which have created many projects and activities just for the purpose of good cause.

The list which I will give isn't all. The records of financial statement should be provided for at the State Revenue or Audit office at Juneau. It shows how much monies the clubs have spent, using these pull-tabs as a means of raising funds.

The clubs have donated for a good cause not only to the community itself but also to other areas where needed or requested. Pull-tabs is a must to raise that kind of money due to inflation and lack of opportunities of jobs. The clubs have purchased eye-glasses, providing medical assistance if PHS cannot provide transportation from point to point, donating food or fuel to a low-income poor family, donating to other civic committees to help in recreation or religious activities, sponsoring Basketball teams, sponsoring Boys Scout and Cubs Scout, donating to Thanksgiving and Christmas events, etc..the list goes on.

With these means of raising funds using pull-tabs, it helps secure charity to a family and the community.

I support the Senate Bill 632 that would make pull-tabs legal again.

Sincerely,

*Morris Oviok*  
Morris Oviok, Club Liaison

C/c: Local Women Dog Musher's  
Local Health Committee  
Local Lioness Club  
Local Lions Club  
Local Tikiqag Search & Rescue  
file

# st. joseph catholic church

BOX 101  
NOME, ALASKA 99762

Telephone: (907) 443-2675

October 15, 1981

Department of Revenue  
Audit Division  
Pouch SF  
Juneau, Alaska 99811

Dear Department of Revenue:

As pastor of the Catholic Church in Nome, Alaska, I strongly disagree with your position not intending to make permanent emergency regulation, 15AAC 105.120(5) L & M, regarding the sale of pulltabs and punchboards.

Our Church has a very small income with huge expenditures for utilities. Frankly our weekly collection is given by very few donors--usually about \$300.00 per week for a parish with well over five hundred people. We have a full time staff of three and four part-time staff serving our people. Obviously this weekly income needs to be supplemented.

Our bingo program supplements our revenue and makes it possible for us to provide many services for our community: religious education, home visits, professional counseling, religious services, support to community service projects, and social activities. We see these activities as alternates to the bars and drinking, one of the major problems in Nome.

In our bingo program, pull-tabs account for about half our income and gives the people something to do between games for a good cause. We agree that pull-tabs could be abused, but we follow strict self-imposed limitations and guidelines--for example, any of our winners over \$25.00 sign for their winnings plus social security number for an IRS report. We agree that the 50¢ limit you directed us to follow be kept enforce--it prevents an over-dependency on pull-tabs and minimizes the income from the bingo.

In conclusion, pull-tabs are a great source of revenue for us to continue community service programs. The options without pull-tabs are few proven with the consistent success of this option. If you rule out pull-tabs you will do little to stop illegal gambling and abuse. But you will hurt lots of non-profit community service organizations like our Church. You will especially hurt native groups in western Alaska. I'm sure much of the money not spent on pull-tabs will go for alcohol. And what community service will this lead to?

Please do your best to make sure the use of pull-tabs for validly licensed groups in Alaska can continue. Your decision will have a great effect on our church and many social service groups. We hope to cooperate with you in the following of all laws and

regulations and welcome your inspection and advice at anytime.  
Whether or not you do not respond favorably to our request:  
the legislature, the governor, and to the people of Alaska. Please  
don't get all caught up in a phoney "legalism" that  
protects the public from the horrible abuses of false gambling  
which in fact hurting the very people you say you are helping.

Your personal response to this letter would be greatly welcomed.

Sincerely,

*Paul B. Macke, S.J.*

Rev. Paul B. Macke, S.J.

Pastor

James of Chance & Skill Permit

# 81-123

# st. Joseph catholic church

BOX 101  
NOME, ALASKA 99762  
Telephone: (907) 443 - 2675

January 25, 1982

Charles H. Parr  
Alaska State Legislature  
Pouch V, State Capitol  
Juneau, Alaska 99811

Dear Legislature:

The governor's decision to make pull-tabs illegal is hurting many non-profit groups around the state. We urge you to pass SB 632 or a similar bill and over-ride the governor's veto. Enclosed is a letter that I sent to the department of revenue giving the reasons why continued use of pull-tabs is important to us.

Any help you can give the non-profit groups hurting around the state as a result of our governor's decision will be appreciated.

Sincerely,

*Fr Paul B Macke, S.J.*

Rev. Paul B. Macke, S.J.  
Pastor

BRISTOL BAY NATIVE ASSOCIATION

P.O. BOX 182

BILLINGHAM, ALASKA 99576

PHONE (907) 461-1051 - 247-4325

January 27, 1982

Senator Charlie Parr  
Alaska Legislature  
Pouch V  
Juneau, Alaska 99811

SUBJECT: Senate Bill 632

Dear Senator Parr:

Thank you for introducing SB 632.

In response to your request for information regarding the worthy causes that have been sided through the use of the sale of pull tabs, first of all it has helped the Bristol Bay Native Association's Regional Senior Citizens' Program.

Our Region covers 29 villages outside of Dillingham, plus the Senior Citizens (60 years or older) in Dillingham. We offer transportation services in Dillingham (otherwise there is only air travel to the rest of the villages); nutrition services in Dillingham, Topiak, Manokotak, and New Smyshok; and we also provide services in the area of home repair, information and referral, home-delivered meals, and other support services to enable elders to remain independent and in their own homes.

The Federal and State grants we receive to operate these programs require a local match. We have used our pull-tab revenues to meet our required local match. Otherwise our area has a small tax base and it is very difficult to always go to the private sector when there are just not that many stores, etc. in this area to solicit local support. The pull-tab revenues have really helped us continue and expand our programs. Now there is a projected cut in program grant funds and we do not know where we will be able to make up the difference.

If you have lived in a rural area in Alaska, you realize that support services are truly needed for the elderly person on a fixed income.

We are trying to be as independent as possible. We work hard (all volunteer time) at our Bingo and Pull-tab games. We are not asking anyone for a hand-out, but just the chance to offer a form of entertainment where the money does go to a good cause.

I strongly support legislation to return pull tabs to the non-profit groups in Alaska. I would suggest that the 50c limitation per chance, however, be raised to \$) per chance.

Thank you for this opportunity to comment.

*Kathy W. Wainwright*

Executive Director, Senior Citizens' Program

November 30, 1981

Thomas K. Williams, Commissioner  
Department of Revenue  
Pouch S  
Juneau, Alaska 99811

Dear Commissioner Williams,

I am the Chairperson of the Fraternal Order of Eagles Bingo, and the United Service Organization Bingo.

Your Department recently declared the sale of pull-tabs at our Bingo games illegal. You gave us an extension of time to January 1, 1982, to sell out our pull-tab inventory.

Bingo game profits go to charity and we have many requests for donations to charitable causes. We are not able to fill all of them. I am enclosing a list of the donations the F.O.E. have made in 1981. Because Bingo is a marginal operation, 85% of our donations are from the sale of pull-tabs, 15% from Bingo. It is easy to see that without pull-tab sales, many requests for help would go without.

I can say with some pride, that the USO in Fairbanks is solvent today because of the Bingo games and pull-tab sales. As Chairperson of the USO Bingo games, I have receipts for \$46,000.00, from the USO Director, to date for 1981. As 1980 was not a full year's operation, I only have receipts totalling to \$28,000.00.

I am sure that you agree that the F.O.E. and the USO Bingo games, with pull-tab sales, give this community a valuable service.

We request, and I hope that you will give us a 120 day extension for the sale of pull-tabs. This would be enough time for the Legislature to meet and pass legislation legalizing the sale of pull-tabs.

Thank you for your consideration.

Sincerely,

*Martha Johnson*

Martha Johnson  
Chairperson: Bingo  
USO  
516 1st Avenue  
Fairbanks, Alaska 99701

cc: Governor Jay Hammond

encl:

EAGLES LODGE, AERIE 1037

CHARITY FUND DONATIONS  
1981

Close Up Program	\$650.00
West Valley Student Council	500.00
March of Dimes	500.00
J. Durante Children's Fund	1,000.00
Max Baer Heart Fund	1,000.00
Art Erhman Cancer Fund	1,000.00
Fairbanks Memorial Pediatric Ward	458.00
Tanana Chiefs Conference	250.00
Fairbanks Memorial Hospital	1,000.00
Gold Kings	693.00
Girls State	1,000.00
A.F. of L. Local 481	250.00
Fairbanks Youth Baseball Association	500.00
Fairbanks Softball Association	200.00
Fairbanks Softball Association	550.00
Fairbanks Softball Association	125.00
Gymnastics, Inc.	1,000.00
Fairbanks Youth Boxing	500.00
Fairbanks Youth Football	1,000.00
Interior City Girls Softball Association	500.00
Alaska Crippled Childrens	1,040.00
Alaska Goldpanners	785.00
Fairbanks Softball Association	100.00
Sons of Norway	250.00
North Star Little League	200.00
Fairbanks Memorial Hospital	1,620.00
Lutheran Pacific University	1,250.00
University of Alaska	1,250.00
Carleton College	1,250.00
University of Oregon	1,250.00
Muscular Dystrophy	500.00
Fairbanks Memorial Burn Center	1,000.00
Little Girls Dribblers	500.00
West Valley Student Council	250.00
Fairbanks Merchant Hockey	300.00
Art Ernman Cancer Fund	500.00
Breast Cancer Detection Center	500.00
Turning Point Boys Ranch	1,000.00
Firefighters Association	240.00
Junior Bowling League	500.00
Pioneers of Alaska	200.00
Young Life	500.00
United Way	3,000.00
	<hr/>
	\$30,661.00



NANCY

PHONE 277-8615 ● P.O. BOX 773 ● ANCHORAGE, ALASKA 99510  
● LOCATION: 737 WEST 5TH AVENUE

A NON-PROFIT CIVIC ORGANIZATION

January 12, 1982

Thomas K. Williams,  
Commissioner  
Department of Revenue  
State Office Building  
Pouch SA  
Juneau AK 99811

Dear Commissioner Williams:

This letter will inform you that as of December 31, 1981, Greater Anchorage Inc., d/b/a/ Anchorage Fur Rendezvous closed its Rony Palace Bingo Hall. After careful review, in order to comply with State rules and regulations governing the use of "pull tabs" we found we would be unable to operate without considerable losses and therefore made the difficult decision to cease all Bingo operations.

Fur Rendezvous, for the first time in several years, is now facing financial problems. Our organization, however, was not built or has become successful without having pitfalls along it's 47 years in existence. We, therefore, will dig in once again, fall back, regroup and find alternative methods to solve what currently appears "very black".

Our organization has conducted its Bingo operations over the years completely within the compliance of the Alaska statues. We would like to feel that all the halls in the Anchorage area have operated under these same conditions. We feel this is not the case, however, as some of the halls are continuing to use pull tabs. Not in the same manner of course, but nevertheless they are in use and it is our total understanding they are to be NON-EXISTENT. If we are incorrect, and this is not the case, please let us know so we may re-open our operation. On the other hand, if we are correct we request the statutes be enforced so all are treated equal. Our concern is that your department enforce the rules and regulations you have set forth and that all abide by them.: We do not feel Fur Rendezvous should suffer just because it does not want to take the chance of "being caught". It is the enforcement rather than the rules that need tending to. All agents must be given full authority to enforce the laws set forth by your department.



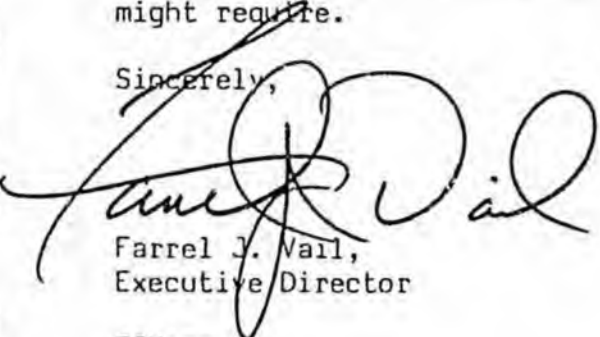
CONTINUED.....

Page 2  
T.K. Williams-continued  
1-12-82

In the future, if and when the "rules and regulations" become a matter for legislative decision, we strongly urge restrictions on the permit holders. They should be issued to non-profit organizations who are actually engaged in running the games. For it is those permit holders who "sell" their permits to individuals who have personal, profitable gain that are causing the legitimate operations difficulties.

Please know we pledge our support to your department and offer any assistance you might require.

Sincerely,



Farrel J. Vail,  
Executive Director

FJV:rc

cc: Wilson L. Condon, Attorney General  
Dick Randolph, Chairman, Administrative Regulation Review Committee  
Rep. Mitch Abood  
Rep. Charles G. Anderson  
Rep. Ramona Barnes  
Rep. M.F. Beirne  
Rep. Thelma Buchholdt  
Rep. Bernie Bylsma  
Rep. Sam Cotten  
Rep. David Cuddy  
Rep. Joe L. Hayes  
Rep. Terry Martin  
Rep. Russ Meekins, Jr.  
Rep. Ray H. Metcalfe  
Rep. Joe Montgomery  
Sen. Brad Bradley  
Sen. Mike Colletta  
Sen. M. Ed Dankworth  
✓ Sen. Vic Fischer  
Sen. Jim Kelly  
Sen. Patrick Rodey  
Sen. Terry Stimson  
Sen. Arliss Sturgulewski

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-2300

January 27, 1982

The Honorable Vic Fischer  
Chairman  
Senate State Affairs Committee  
Room 423 - Capitol Building  
Juneau, Alaska 99801

Dear Senator Fischer:

Re: Senate Bill No. 632

Senate Bill No. 632, an Act relating to games of chance and contests of skill, was introduced in the Senate on January 11, 1982 and was referred to the Senate State Affairs and Judiciary Committees.

For the consideration of the Senate State Affairs Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Joseph K. Donohue, Deputy Commissioner, Taxation, Department of Revenue for the Enforcement and Public Services Divisions concerning the proposed legislation.

Sincerely,



R. D. Stevenson  
Special Assistant

RDS:mc

Enclosure

cc: The Honorable Patrick M. Rodey  
Chairman  
Senate Judiciary Committee

Joseph K. Donohue  
Deputy Commissioner, Taxation  
Department of Revenue

Marilla Gemmer, Director  
Enforcement Division  
Department of Revenue

P. A. Wall, Director  
Public Services Division  
Department of Revenue

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. SB 632  
 Title An Act relating to games of chance & contests of skill; and providing for an  
 Requested by Senate State Affairs Date Jan. 13, 1982 effective date

II. FISCAL DETAIL  
 Agency Affected Department of Revenue  
 Program Category Affected Revenue Collection & Management  
 BRU, Program, Or Subprogram(s) Affected Enforcement  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		64.7	71.1	78.3	86.1	94.7
200 TRAVEL		5.0	5.5	6.1	6.7	7.3
300 CONTRACTUAL		3.0	3.3	3.6	4.0	4.4
400 COMMODITIES		.8	.9	1.0	1.1	1.2
500 EQUIPMENT		2.5	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.		-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>		<b>76.0</b>	<b>80.8</b>	<b>89.0</b>	<b>97.9</b>	<b>107.6</b>

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		76.0	80.8	89.0	97.9	107.6
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		2	2	2	2	2
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)  
 One Revenue Enforcement Officer III is needed for field compliance work, and one Clerk Typist III is needed for clerical support. This legislation will expand the number of permits issued each year and the types of games and/or contests available. Relaxing prize limitations will bring about an interest from professional gaming entrepreneurs.

IV. DATE January 26, 1982 PREPARED BY Joseph K. Donohue  
 AGENCY Department of Revenue Taxation  
 PHONE 465-2301  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 632

Title An Act relating to games of chance & contests of skill; and  
~~requested by~~ providing for an effective date Date January 13, 1982

Requested by: Senate State Affairs

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection and Management

BRU, Program, Or Subprogram(s) Affected Public Services Division

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		26.7	29.4	32.3	35.5	39.1
200 TRAVEL		1.0	1.1	1.2	1.3	1.4
300 CONTRACTUAL		4.5	5.0	5.5	6.0	6.6
400 COMMODITIES		.4	.4	.5	.5	.6
500 EQUIPMENT		1.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		33.6	35.9	39.5	43.3	47.7

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		33.6	35.9	39.5	43.3	47.7
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		1	1	1	1	1
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

See attached memo to R. D. Stevenson from E. Jones dated January 25, 1982.

*Joseph K. Donohue*

IV. DATE January 26, 1982 PREPARED BY Joseph K. Donohue, Deputy Commis-  
 AGENCY Department of Revenue sioner, Taxation

Original: Legislative Finance PHONE 465-2301

cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

# MEMORANDUM

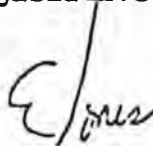
## State of Alaska Department of Revenue

TO: R.D. Stevenson  
Legislative Assistant

DATE: January 25, 1982

FILE NO:

TELEPHONE NO:

FROM:   
Ervin Jones  
Office Audit Manager  
Audit Division

SUBJECT: SB 632  
State Affairs and Judiciary

This bill proposes to amend five sections of AS 05.15. The effect of these proposed changes is to considerably broaden the privileges granted with the issuance of a games of chance and skill permit.

The original language of AS 05.15.100 limited the games of chance to only those activities listed (i.e., bingo, raffles, lotteries, ice classics, rain classics, dog mushers' contests and fish derbies). New games of chance would have to then be allowed under one of those listed. The proposed language removes that limitation and taken in context with sections 2 and 3 of the bill, would allow any game of chance which could be contrived where the element of chance and luck is foremost, regardless of whether those games of chance existed in Alaska prior to statehood. Since the original intent of the legislation was to permit continuance of those gaming activities after statehood which existed in territorial days, this change is a considerable divergence.

The only remaining limitation would be the limitation on use of gambling implements found in AS 05.15.180(a). This would presumably prevent the introduction of casino type hardware and coin operated video games as games of chance, but would not prevent the legal introduction of games of chance such as can be contrived by profit-seeking individuals and nonprofit organizations striving to maximize their take in an extremely competitive industry.

Section 2 of the bill would serve to supercede the existing administrative regulation 15 AAC 105.120(4) which reads:

"(4) In holding, operating and conducting raffles or lotteries, a permittee may not raffle prizes of personal property, including cash or a negotiable instrument, the aggregate total of which is in excess of the sum or value of \$30,000 in any one calendar year and real property in excess of the sum or value of \$50,000 in any one calendar year."

Lifting this limit would obviously permit substantially larger raffles to be held in Alaska, and would just as obviously invite the interest and participation of profit-seeking individuals into an activity which was originally designed for nonprofit, community oriented organizations. This profit opportunity is exactly what led to the all-too-frequent situation that exists in bingo in Alaska today, i.e. the nonprofit organization which holds a permit receiving a mere fraction of the gross receipts, with the control and use of the proceeds going to the profit-seeker who runs the games.

R.D. Stevenson  
Legislative Assistant

-2-

January 25, 1982

Section 4 would amend the statutory definition of "labor organization" to apparently include any organization constituted "wholly or partly to bargain collectively or deal with employees..." It should be pointed out that this includes virtually any trade group, or industry conference. If this is the intent, it would be far better in my opinion to draft a new section called "trade group", or whatever.

Also, the way it reads now, possibly any state agency or political subdivision of the state would be entitled to a permit. Although many cities and villages would like to have permits, it seems unlikely that it is intended for a state agency to hold such a permit.

This bill should be referred to counsel for a simple, straightforward approach to achieve the desired purpose.

EJ:jg

Nancy

# State tells Lions to stop bingo games

by Patti Epler  
Times Writer

Two Anchorage Lions clubs could lose up to \$400,000 a year in revenue, most of which is donated to charities, if a Superior Court judge agrees with a state ruling prohibiting the club's bingo games.

Friday, the Fairview Lions and Government Hill Lions were notified by the state Department of Revenue that their darts game and pull tab or "rippies" game were illegal under state law. The state suspended their permits to conduct games of chance and skill — permits which also include the bingo games.

The clubs — and Taurus Inc.,

owners of the Lions' Plaza Bingo on Minnesota Drive — filed a lawsuit that afternoon. They succeeded in obtaining a court order temporarily allowing them to continue the operation until Superior Court Judge Daniel Moore can rule on the case.

A hearing before Moore is scheduled for 3 p.m. today.

The lawsuit — which names Commissioner of Revenue Tom Williams and revenue investigator Gilbert Hjellen as defendants — contends that the Lions and the community will suffer substantial loss if the state order to shut down the bingo operation is ruled valid. The Lions were never given a chance to discuss

the suspension with state officials, the lawsuit said.

The state's decision to suspend the Lions' permits apparently surrounds the legality of the darts game and pull tab game, both of which the state contends are illegal games of chance.

The suspension is effective for 90 days. The state said it would then seek to revoke the permit for a one-year period.

Fred Zimmerman, president of the Fairview Lions, said Wednesday the bingo game and other games bring in about \$400,000 annually to the Lions. About \$360,000 of that, Zimmerman said, is given to charities, including the Lions' Eye Bank,

which matches donors with potential eye recipients.

Zimmerman said the Lions have been sponsoring the bingo games for about a year and a half. "We have to report where our money goes," he said. "There's just no way of putting money in our own pockets. It's always been a good service and now they're (the state) saying it's not a good service."

The pull tab game involves small paper cards with strips covering rows of three pictures similar those found on slot machines. Players pull away the strips and win if the objects — lemons, apples, gold bars and other items — match up.

## Doctors call Right to Life 'offensive'

by Patti Epler  
Times Writer

Doctors who perform abortions are just as aware of the moral, philosophical and spiritual problems involved in terminating pregnancy as

Prices Effective Thursday  
Thru Sunday

LIMITED TO  
STOCK ON  
HAND

# SAVE DISCOUNT LIQUORS



# An Inside Look

By Charlie Parr



By Sen. Charlie Parr  
A matter which has not yet attracted much attention — but will — is that of pull-tabs, which are, for those who don't know, little devices with cornered numbers. The right number wins a prize. They seem to me to perform the same function as punchboards, but some members of the administration by strange logic consider them "paper slot machines."

Pull-tabs have been used for some time by a number of fraternal, social and philanthropic organizations in the state. They have been sold at the weekly or bi-weekly bingo nights, and information available indicates that they have raised more money than bingo itself.

Because of reported abuses in the Anchorage area the Department of Revenue last year to ban pull-tabs. A memo sent to all holders of bingo permits in the state would have cut them off immediately. Organizations in the Fairbanks area quickly, and properly, contacted the Fairbanks delegation.

When I followed up on this matter it turned out that revenue had not bothered to get an attorney general's opinion on pull-tab legality. I pointed out the good causes being assisted by organizations affected, and questioned the advisability of the prohibition. Other legislators raised a ruckus, too.

As a result of the protests the attorney general was asked for an opinion. Stripped of all the legal pros, cons and whereases, it said the revenue could make pull-tabs legal or illegal — the law is flexible enough for either. Revenue then bucked the problem upstairs to the governor, who decided that pull-tabs would be illegal after Dec. 31, 1981.

SB 632, which I introduced, would clearly state that pull-tabs are legal. It would remove them from arbitrary action by the governor or Department of Revenue. Why do I believe this to be necessary?

First, a few abuses in the Anchorage area is insufficient reason for abolishing the practice. If there are abuses then regulations can be changed and/or effective enforcement action

taken. If there is fraud or personal enrichment at the expense of the organizations and the good causes they support — prosecute.

Second, purchase of pull-tabs is voluntary. We have not had one reported instance in which a buyer was handcuffed, dragged in, and forced to spend his money.

Third, the amount of good done by fraternal, social and philanthropic organizations is incalculable and pull-tabs have been a primary source of their income. Here are only a few of the good causes which have been helped:

20-30 scholarships are awarded annually to Native students enrolled in colleges and universities throughout the nation by the Cook Inlet Native Association, which has used pull-tabs. The Eagles Lodge, Aerie 1037, contributed \$30,661 to various organizations including the United Way, Fairbanks Memorial Hospital as well as 41 other organizations. The Alaska Black Caucus also uses pull-tabs as a fund-raising device.

It is too bad that the governor regards the sale of pull-tabs as somehow "immoral." It is too bad that he decided to impose his own standards on the rest of Alaska. It is too bad that he is threatening to veto the bill if it passes.

One can only wonder how many Alaskans would be here if they didn't take chances. In many bush areas they take chances with their lives — over and over again. Many people in the construction and transportation fields take chances.

On a lower level — how many Alaskans who came here from somewhere else had guaranteed security when they came? (We didn't. We had three teenagers, a dog, a nine-year-old car, less than a \$1,000 — and no job when we came).

I'm afraid the administration is getting too conservative, too unwilling to admit risk into Alaskan life. When it comes to handling public money that's not a bad approach. When we are talking about the individual decisions made by individual Alaskans it's time to draw the line.

"Where there is shouting, there is no true knowledge."  
Leonardo Da Vinci

## Constitutional Session

A slightly muddled House Judiciary Committee wrestled valiantly with compound-complex grammatical problems before wording a committee substitute for House Joint Resolution (HJR) 12, which would constitutionally limit legislative sessions to 120 days, with a possible one-time extension of up to ten days. And a slightly cynical committee member suggests that even a constitutional provision may not be an absolute bar to longer sessions.

Citing practices of the Oregon Legislature — which is constitutionally supposed to meet for only 60 days every other year, but routinely calls itself into special session time after time — Rep. Russ Meekins said of Alaska's proposed constitutional session limit, "The first time, you violate it; after that, it's easy."

Meekins explained later that he fully supports the popular session limit idea, but also pointed out that the public may at some other time think the Legislature should meet for as long as it takes to get the work done. Since the Constitution allows the Legislature to call itself into special session by a two-thirds vote, legislators

special session limit under judgment allowed the second half of that sentence (prolonging recesses longer than 30 days without the agreement of both houses) to apply to both special and regular sessions without having to repeat the language.

If you feel a bit confused by this, you would have a hard time with most committee members who asked that the bill be explained and explain this reason to them. But the drafter of HJR 12 was John Chenoweth, who is now the State Ombudsman. There was a delay while another bill drafter was summoned.

Rep. Pat O'Connell pointed out that the proposed amendment allowed regular sessions to be extended only after "a vote of at least two-thirds of each house" but did not specifically require "an affirmative vote" or "a concurring vote." Rep. Rick Hartzel cited three sections of the Constitution on required votes. Later he agreed that each section he had cited contained an additional qualifying word describing what kind of vote it was.

Bill drafter Diane Colville appeared and suggested that the proposed amendment most simply go in under section 8 of Article II. Everyone seemed to agree.



# Ring Around Seat

For as little as

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOHD, GOVERNOR

FOUCHS  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-2300

March 9, 1982

The Honorable Patrick M. Rodey  
Chairman  
Senate Judiciary Committee  
Room 125 - Capitol Building  
Juneau, Alaska

Dear Senator Rodey:

Re: CS for Senate Bill No. 632 (State Affairs)

CS for Senate Bill No. 632 (State Affairs), and Act relating to games of chance and contests of skill, was referred by the Senate State Affairs Committee on February 26, 1982 to the Senate Judiciary Committee.

For the consideration of the Senate Judiciary Committee, I am enclosing a copy of a Fiscal Note prepared by Mr. P. A. Wall, Director, Public Services Division, Department of Revenue concerning the Committee Substitute.

Sincerely,



R. D. Stevenson  
Special Assistant

Enclosure

cc: Joseph K. Donohue  
Deputy Commissioner  
Department of Revenue

P. A. Wall, Director  
Public Services Division  
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSB 632(SA)  
 Title Relating to Games of Chance and Contests of Skill  
 Requested by Senate Judiciary Committee Date 3/8/82

II. FISCAL DETAIL

Agency Affected \_\_\_\_\_ Revenue \_\_\_\_\_  
 Program Category Affected \_\_\_\_\_ General Government \_\_\_\_\_  
 BRU, Program, Or Subprogram(s) Affected Public Services  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		45.6	48.8	52.2	55.9	60.0
200 TRAVEL						
300 CONTRACTUAL		5.0	5.4	5.7	6.1	6.6
400 COMMODITIES		1.0	1.1	1.1	1.2	1.3
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	51.6	55.3	59.0	63.2	67.9

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	-0-	51.6	55.7	59.0	63.2	67.9
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		1/12mm	1/12mm	1/12mm	1/12mm	1/12mm
PART TIME		2/8mm	2/8mm	2/8mm	2/8mm	2/8mm
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

CS SB 632 (SA) adds "business league", "municipality", and "political action" to those who may receive permits under AS 05.15. The bill also adds "game of chance (including pull tabs and punch boards)" to the activity permitted under HS 05.15.

Assumptions:

Over 600 permits are presently issued. The bill will increase the potential permits by over 700 if the present qualifying factors remain the same: business leagues - 100, games of chance - 400, municipalities - 166, political action organizations - 50.

Continued on next page.

IV. DATE 3/8/82 PREPARED BY *P. A. Wall*  
 AGENCY Revenue  
 Original: Legislative Finance PHONE 465-2313  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

FISCAL NOTE  
CS SB 632 (SA)

Page 2

Program Summary

One employee is presently assigned to administering the AS 05.15 programs. Peak application periods require that another be assigned to help the one employee. CS SB 632 (SA) will more than double the work.

1. Positions --

1 PFT Tax Examiner R12 @\$1889 mo plus .32 costs = 29.9

Receive and examine the additional applications, approve and issue permits and respond to letters, phone, and in-person inquiries.

2 PFT Clerk Typists R8 @ \$1487 mo plus .32 costs for 4 mos. each. = 15.7

2. Other Expenditures --

Contractual - Postage, toll calls, typewriter rental, miscellaneous. = 5.0

Commodities = 1.0