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Sec. 05.15.210. Definitions. In this chapter

(1) "bingo" means a game of chance of, and restricted to, the selling of rights to participate, and the awarding of prizes, in the specific kind of game of chance sometimes known as bingo or lotto, played with cards bearing numbers or other designations, five or more in one line, the holder covering numbers when objects similarly numbered are drawn from a receptacle, and the game being won by the person who first covers a previously designated arrangement of numbers on the card;

(2) "charitable organization" means an organization, not for pecuniary profit, which is operated for the relief of poverty, distress, or other condition of public concern in the state, and which has been so engaged for five years before applying for a permit under this chapter;

(3) "civic or service organization" means any branch or lodge or chapter of a national or state organization which is a civic or service organization, not for pecuniary profit, and authorized by its written constitution, charter, or articles of incorporation, or bylaws to engage in a fraternal, civic or service purpose in the state and which has been so engaged for five years before applying for a license under this chapter;

(4) "contest of skill" means a contest or game in which prizes are awarded for the demonstration of human skills in marksmanship, races, and other athletic events;

(5) "dog mushers' association" means a civic, service or charitable organization in the state, not for pecuniary profit, formed exclusively to promote interest in the breeding and training of dog teams for work or recreational and racing purposes and which has been in existence for five years before applying for a permit under this chapter, but does not include an organization formed or operated for gaming or gambling purposes;

(6) "dog mushers' contest" means a contest in which prizes are awarded for the correct guess of the racing time of a dog team or of team position in the race, including prizes to the race contestants;

(7) "educational organization" means a civic, service or charitable organization in the state, not for pecuniary profit, whose primary purpose is educational in nature and designed to develop the capabilities of individuals by instruction and which has been in existence for five years before applying for a license under this chapter;

(8) "fishing-derby association" means a civic, service or charitable organization in the state, not for pecuniary profit, whose primary purpose is to promote interest in fishing for recreational purposes and which has been in existence for five years before applying for a permit under this chapter, but does not include an organization formed or operated for gaming or gambling purposes;

(10) "fraternal organization" means a civic, service or charitable organization in the state, except a college and high school fraternity, not for pecuniary profit, which is a branch or lodge or chapter, of a national or state organization and exists for the common business, brotherhood, or other interest of its members and which has so existed for five years before applying for a license;

(11) "gross receipts" means receipts from the sale of shares, tickets or rights connected with participation in any activity permitted under this chapter or the right to participate, including admission, fee or charge, sale of equipment or supplies, and all other miscellaneous receipts;

(12) "ice classic" means a game of chance in which a prize of money is awarded for the closest guess of the time the ice moves in a body of water or watercourse in the state and is limited to the Nenana and Chena Ice Pools in the same manner as they were conducted in 1959 and previous years;

(13) "net proceeds" means the gross receipts less expenses, prizes, duties, or charges, fees, and deductions which are specifically authorized under this chapter;

(14) "police or fire department and company" means a civic, service or charitable organization in the state, not for pecuniary profit, established by the state or a political subdivision of the state which has been in existence for five years before applying for a license under this chapter;

(15) "qualified organization" means a bona fide civic or service organization or a bona fide religious, charitable, fraternal, labor, political, or educational organization, police or fire department company, dog mushers' association, or fishing-derby association in the state, which operates without profits to its members and which has been in existence continually for a period of five years immediately before applying for a license; the organization may be a firm, corporation, company, association or partnership;

(16) "raffle and lottery" means the selling of rights to participate and the awarding of prizes, in the specified kind of game of chance sometimes known as a raffle or lottery, conducted by the drawing for prizes by chance;

(17) "religious organization" means an organization, church, body of communicants, or group, not for pecuniary profit, gathered in common membership for mutual support and edification in piety, worship and religious observances, or a society, not for pecuniary profit, of individuals united for religious purposes at a definite place and which has been so gathered or united for five years before applying for a license and is recognized as a religious organization under the federal income tax laws and the selective service law;

(18) "veterans organization" means a civic, service or charitable organization in the state, or a branch or lodge or chapter of a national or state organization in the state, not for pecuniary profit, the membership of which consists of individuals who were members of the armed services or forces of the United States, and which has been in existence for five years before applying for a license under this chapter;

(19) "labor organization" means an organization, not for pecuniary profit, constituted wholly or partly to bargain collectively or deal with employers, including the state and its political subdivisions, concerning grievances, terms, or conditions of employment or other mutual aid or protection in connection with employees;

(20) "rain classic" means a game of chance in which a prize is awarded for the closest guess of the amount of precipitation which is recorded at a certain location during a certain length of time;

(21) "political organization" means an organization or club organized under or formally affiliated with a political party as defined in AS 15.60.010. (§ 1 ch 27 SLA 1960; am §§ 4, 5 ch 66 SLA 1976)

Revisor's notes. — A semicolon was substituted for a comma and the word "and" following "license" in paragraph (15) by the revisor of statutes pursuant to AS 01.05.031(b).

Opinions of attorney general. — Under AS 05.15.210 a permit may be issued which gives a qualified organization the privilege of conducting any of the designated activities. AS 05.15.040 limits the activities that may be conducted to those activities specified in the permit. Under AS 05.15.060 the commissioner has authority to further limit the number of activities which may be conducted pursuant to any permit. Therefore, absent any regulation to the contrary, a permit could be issued for more than one activity to a qualified organization. 1960 Op. Att'y Gen., No. 8.

Item (16) of this section authorizes certain raffles and lotteries, but limits the raffle or lottery to that type conducted by

a drawing for prizes. 1960 Op. Att'y Gen., No. 8.

That the term "lottery" as used in item (16) of this section does not include an ice pool is indicated by the express provisions of item (12). 1960 Op. Att'y Gen., No. 8.

While the conduct of an ice pool might come within the definition of a lottery, by the language in item (16) of this section, the legislature has limited a lottery to a game conducted by a drawing for prizes. 1960 Op. Att'y Gen., No. 8.

If the term lottery in item (16) of this section was meant to include an ice classic, then item (12) would be meaningless. 1960 Op. Att'y Gen., No. 8.

While there may have been other ice pools conducted prior to the date of this section, the language of item (12) shows that the legislature intended to authorize only two pools, the Nenana and Chena, and none other. 1960 Op. Att'y Gen., No. 8.

NOTES TO DECISIONS

Cited in *State v. A.L.I.V.E. Voluntary*, Sup. Ct. Op. No. 2022 (File No. 3670), 606 P.2d 769 (1980).

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date 2/21/84

REQUEST

Bill/Resolution No: HB 652
 Title: An act relating to permits for games of chance and contests of skill
 Sponsor: Shultz
 Requestor: House State Affairs & Finance Committee
 Date of Request: 2/21/84

FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: Revenue Collection & Management
 BRU, Program or Subprogram(s) Affected: Public Services Division BRU

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<u>OPERATING</u>						
100 PERSONAL SERVICES	-	14.1	14.6	15.1	15.6	16.1
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 SUPPLIES	-	1.7	.8	.9	1.0	1.1
500 EQUIPMENT	-	1.0	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
<u>TOTAL OPERATING</u>	-	19.8	15.4	16.0	16.6	17.2
<u>CAPITAL</u>	-	-	-	-	-	-
<u>REVENUE</u>	-	38.5	40.5	42.5	44.6	46.9

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	19.8	15.4	16.0	16.6	17.2
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<u>TOTAL</u>	-	19.8	15.4	16.0	16.6	17.2

POSITIONS:

FULL-TIME	-	.5	.5	.5	.5	.5
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attached.

Prepared By: Martin J. Richard
 Division: Public Services

Phone: 465-2392

Date: 2/21/84

Approved by Commissioner: [Signature]
 Agency: DOR

Date: 2/22/84

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

HB 652 ANALYSIS
PUBLIC SERVICES DIVISION BRU

EXPENDITURES

1. Passage of HB 652 will require a seasonal, (6 months) Tax Examiner to handle a minimum of 227 new applications. Each application and attendant Financial Statement requires 1.5 to 2.0 hours of processing and in addition, clerical time of approximately one hour per application is required.
2. The personal service costs include the total for insurance and various other benefits. Annual increases for personal services are based on 3.5% rate, reflecting average contractual salary and merit increases.
3. The supplies and commodities include new forms, mail outs and miscellaneous clerical supplies. All instructions and forms will require immediate revision and reprint for FY85. Figures for FY86-89 reflect additional forms costs for increased number of permittees.

Equipment money required in FY85 is for furniture and office equipment for the seasonal Tax Examiner.

REVENUE

Figures in this area are based on 227 new applications remitting an annual permit fee of \$20.00 each. Additionally the required 1% of gross receipts be remitted with annual financial statement. An average of the 1% fee is \$150.00 per permittee.

BACKGROUND

HB 652

"An Act relating to permits for games of chance and contests of skill; and providing for an effective date."

Throughout the state, and especially in smaller communities and suburbs, new chapters of existing organizations are being formed. These organizations include the American Legion, Kiwanis, the Lions Club, the Veterans of Foreign Wars, Rotary Clubs, historical societies, the Pioneers of Alaska, dog musher's associations, religious organizations, Elks, Eagles, labor organizations, political organizations, rifle clubs, sportsmen's groups, etc. This growth can be attributed directly to the simple fact that the state is growing.

Since most of these organizations do not operate with public funds they must generate operating monies independently. Games of chance, such as bingo and raffles; as well as contests of skill, where prizes are awarded for the demonstration of human skills in marksmanship, races and other athletic events have proven to be an effective fund-raising tool for these groups.

Under current law, these new organizations cannot apply for a license to conduct games of chance or contests of skill until they have been in existence for five years. This is an unnecessary delay to these organizations, most of whom perform a valuable public service, especially in smaller communities. This Act would allow for the Commissioner of the Department of Revenue to adopt regulations whereby the five year waiting period could be reduced to one year, provided that the organization is a chapter of an existing organization that has been in operation for five years.

from Rep Shultz