

Offered: 4/30/83
Referred: Finance

Original sponsors: V.Fischer, Faiks,
Josephson, et al

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 265 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to permits issued for games of
7 chance and contests of skill."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 05.15.030 is amended by adding a new subsection to
10 read:

11 (b) In addition to the requirements of (a) of this section, an
12 applicant for a permit to conduct an activity under AS 05.15.100(b)
13 shall notify the law enforcement agency having jurisdiction over the
14 location of the proposed activity. The commissioner of revenue may
15 not issue a permit for the proposed activity unless the application is
16 accompanied by the written approval of the law enforcement agency
17 having jurisdiction.

18 * Sec. 2. AS 05.15.100 is amended by adding a new subsection to read:

19 (b) The commissioner of revenue also may issue a permit giving a
20 municipality or qualified organization the privilege of conducting an
21 activity involving the use of playing cards, dice, and numbers wheels.
22 A municipality or qualified organization may apply for a permit for
23 only one activity a year under this subsection. For the purpose of
24 this subsection, "one activity" means a single event lasting no more
25 than three consecutive days.

26 * Sec. 3. AS 05.15.140 is amended by adding new subsections to read:

27 (b) In an application for a permit, a municipality or qualified
28 organization shall disclose the name and address of each person re-
29 sponsible for the operation of the activity and whether any person

1 named

2 (1) has ever been convicted of a felony or gambling misde-
3 meanor; or

4 (2) has a prohibited financial interest, as defined in
5 regulations adopted by the commissioner, in the operation of the
6 activity.

7 (c) The commissioner of revenue may not issue a permit for an
8 activity operated by a person who has been convicted of a felony or a
9 gambling misdemeanor.

10 (d) Application forms for permits shall contain a notice that a
11 false statement in the application is punishable by law.

12 * Sec. 4. AS 05.15.160 is repealed and reenacted to read:

13 Sec. 05.15.160. AUTHORIZED EXPENSES. No item of expense may be
14 incurred or paid in connection with the operation of an activity under
15 a permit issued under this chapter except for bona fide expenses
16 reasonably necessary for

17 (1) goods, wares, and merchandise necessary for the opera-
18 tion of the activity;

19 (2) personal services rendered that are not directly or
20 indirectly involved with the operation of the activity; or

21 (3) personal services involved with the operation of the
22 activity provided the services are performed by an employee of the
23 municipality, qualified organization, or a consultant hired by the
24 municipality or qualified organization conducting the activity and the
25 compensation is not related to the receipts from the activity.

26 * Sec. 5. AS 05.15.180 is amended to read:

27 Sec. 05.15.180. LIMITATIONS ON AUTHORIZED ACTIVITY. (a) Except
28 as provided in AS 05.15.100(b), this [THIS] chapter does not authorize
29 the use of playing cards, dice, roulette wheels, coin-operated

1 instruments or machines, or other objects or instruments used,
2 designed, or intended primarily for gaming or gambling or any other
3 method or implement not expressly authorized by the commissioner.

4 (b) With the exception of raffles, lotteries, [AND] rairn clas-
5 sics, and other activities authorized under AS 05.15.100(b), no activ-
6 ity may be licensed under this chapter unless it existed in the state
7 in substantially the same form and was conducted in substantially the
8 same manner before January 1, 1959.

9 * Sec. 6. AS 05.15.180 is amended by adding a new subsection to read:

10 (c) The operation of activities licensed under AS 05.15.100(b)
11 is limited as follows:

12 (1) no cash prizes may be awarded;

13 (2) only money substitutes such as chips or scrip may be
14 used by a player in the activity;

15 (3) the money substitutes may be exchanged only for prizes
16 other than money and may not be otherwise exchanged or sold; and

17 (4) additional limitations that may be established by the
18 commissioner of revenue under adopted regulations.

19 * Sec. 7. AS 05.15.200 is repealed and reenacted to read:

20 Sec. 05.15.200. PENALTIES. (a) A person who knowingly violates
21 or aids or solicits a person to violate this chapter is guilty of a
22 violation for the first offense and a class B misdemeanor for the
23 second and each subsequent offense.

24 (b) A person who, with the intent to mislead a public servant in
25 the performance of the public servant's duty, submits a false state-
26 ment in an application for a permit under this chapter, is guilty of
27 unsworn falsification.

28 * Sec. 8. AS 05.15.210 is amended by adding a new paragraph to read:

29 (23) "numbers wheel" means any electronic, mechanical, or

1 other device with numbers or other figures that are selected randomly
2 and used in a game of chance in which the outcome is determined by the
3 number or figure selected by the device; not including slot machines
4 or other devices that operate by insertion of a coin or other object
5 that may entitle the person operating the machine to receive a prize
6 by strict dependence on the element of chance.

7 * Sec. 9. AS 11.66.280(2) is amended by adding a new subparagraph to
8 read:

9 (C) an activity authorized by the commissioner of
10 revenue under AS 05.15.010 - 05.15.210;

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS SB 265 (SA)
 Title Act relating to permits issued for games of chance and contests orski
 Requested by Senator Sackett Date 5/19/83

II. FISCAL DETAIL

Agency Affected Department of Revenue
 Program Category Affected Revenue Operations
 BRU, Program, or Subprogram(s) Affected Public Services & 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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

-0-

FUNDING (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 5/19/83

PREPARED BY *John C. Sackett*
 AGENCY State Senate
 PHONE 465-3753

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

STATE OF ALASKA
FISCAL NOTE

Revision Date 4/28, 1983

I. REQUEST

Bill/Resolution No. SB 265
Title: Act relating to permits issued for
games of chance and contests of skill
Sponsor: State Affairs
Requestor: V. Fischer

II. FISCAL DETAIL

Agency Affected: Department of Revenue
Program Category Affected: Rev. Operations
BRU, Program of Subprogram(s) Affected:
Public Svcs. & Enforcement

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES	-	29.5	31.5	34.0	36.5	39.5
200 TRAVEL	-	4.5	4.8	5.0	5.5	6.0
300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	4.5	5.0	5.5	6.0	6.5
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC.	-	-	-	-	-	-
TOTAL OPERATING		38.5	41.3	44.5	48.0	52.0

CAPITAL	-	-	-	-	-	-
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REVENUE	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FUNDING: (Thousands of Dollars)						
GENERAL FUND	-	38.5	41.3	44.5	48.0	52.0
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	one	one	one	one	one
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

OFFICE OF
MANAGEMENT & BUDGET

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

APR 28 1983

BUDGET REVIEW

IV. ANALYSIS: Attach a separate page for any Analysis.

Prepared By: Marcy Rehfeld
Division: Commissioner's Office

Phone: 465-2300
Date: 4/27/83

Approved by Commissioner: [Signature]
Department: Revenue

Date: 4/28/83

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

ANALYSIS: cs SB 265

To insure equitable compliance with the law, a full time investigator will be needed and audit and investigation will require a minimum of eight field trips per year.

Supplies and commodities include new forms, mail outs and miscellaneous clerical supplies. All instruction and forms will require immediate revision and reprint.

STATE OF ALASKA
FISCAL NOTE

Revision Date 4/22, 1983

I. REQUEST

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games of chance and contests of skill
Sponsor: State Affairs
Requestor: V. Fischer

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500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC.	-	-	-	-	-	-
TOTAL OPERATING		38.5	41.3	44.5	48.0	52.0
CAPITAL	-	-	-	-	-	-

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OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS:

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL-TIME	-	one	one	one	one	one
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

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Prepared By: Marcy Rehfeld
Division: Commissioner's Office

Phone: 465-2300
Date: 4/27/83

Approved by Commissioner: [Signature]
Department: Revenue

Date: 4/28/83

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STATE OF ALASKA
FISCAL NOTE

Revision Date 4/28, 1983

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Requestor: V. Fischer

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300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	4.5	5.0	5.5	6.0	6.5
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC.	-	-	-	-	-	-
TOTAL OPERATING		38.5	41.3	44.5	48.0	52.0
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TEMPORARY	-	-	-	-	-	-

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IV. ANALYSIS: Attach a separate page for any Analysis.

Prepared By: Marcy Rehfeld
Division: Commissioner's Office

Phone: 465-2300

Date: 4/27/83

Approved by Commissioner: [Signature]
Department: Revenue

Date: 4/29/83

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COMMITTEE REPORT
SENATE

4/19/83

FURTHER: Finance

Date: 4/28/83

Mr. President:

The Committee on State Affairs has had SB 265

Relating to permits issued for 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 amendments(s)
- replace with CS for SB 265 (SA) same title
 new 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:

1 Arthur Sturgis

Hirschman

2 Bill Kelly No Rec

2 Tom Kelly - no rec

1 Hirschman - pass

CHAIRMAN