

HB

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(11)

Date Referred: February 3, 1989

FURTHER REFERRALS:

Date of Committee Action: 2/16/89

The FINANCE Committee recommends that:

HOUSE BILL NO. 29 [PARIMUTUEL HORSE & DOG RACING]
"An Act establishing the Alaska Racing Commission and authorizing parimutuel wagering at sanctioned events; and providing for an effective date."

be replaced with CSHB 29(L.C.) the same title
 a new title

have attached amendment(s)

do pass
 do not pass
 no recommendation
 individual recommendations
 additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

fiscal impact
 zero fiscal note
 zero with analysis

APPROVES PREVIOUS:

fiscal note(s) published:

 zero fiscal notes(s) published:
Pub Safety, 4/9/89 2/3/89

SIGNING DO PASS:

[Signature] HOFFMAN
[Signature] LARSON
[Signature] BROWN
[Signature] SHULTZ
[Signature] RIEGER

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)
[Signature] SWACKHAMMER
[Signature] KOPONEN
[Signature] BARNES
[Signature] PHILLIPS
[Signature] WALLIS

Co- [Signature]
Chairman's signature
Co- [Signature]

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSHB 29 (L&C)
PUBLISH DATE: HOUSE 2/3/89

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act establishing the Alaska
Racing Commission..."
Sponsor: Representative Larson
Requestor: House Labor & Commerce

Agency Affected: Public Safety
BRU: Alaska State Troopers
Component: _____

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Under Section 2 of the bill, the Department of Public Safety will be required to run criminal history checks on certain individuals. Because the number of persons whose records must be checked is expected to be very small, the Department believes that this impact can be absorbed using existing staff and resources.

Prepared by: Gavle A. Horetski, Deputy Commissioner
Division: Office of the Commissioner

Phone: 465-4322
Date: 1/18/89

Approved by Commissioner: G.A.H. Arthur English
Agency: Department of Public Safety

Date: 2-19-89

Adopted

FY 90 EXPENDITURE DETAIL**PERSONAL SERVICES**

Executive Director, PX, Range 22A, 6 months	\$32,020.00
Clerk-Typist III, PX Range 8A, 5 months	<u>11,556.60</u>
SUB-TOTAL:	\$43,576.60

TRAVEL

FY 90: Three commission meetings in the Anchorage area at 2 days each. This travel assumes three commissioners are appointed from the Anchorage area, one from Fairbanks, and one from Juneau. The staff positions are located in Anchorage.

	TRAVEL	PER DIEM
3 Anchorage members (160x3x3)	\$ 0.00	\$1,440.00
1 Juneau to Anchorage (366x3)	1,098.00	480.00
1 Fairbanks to Anchorage (232x3)	696.00	480.00
1 Staff person	0.00	0.00
Director's Travel (one trip to inspect and review small racing commission operations in Michigan, Maine and New Hampshire)	1,000.00	1,120.00
1 Site inspection (2 Anch. mbrs)	0.00	160.00
1 Event (8 days; 2 Anch. mbrs)	<u>0.00</u>	<u>1,280.00</u>
	\$2,794.00	\$ 4,960.00
SUB-TOTAL:		\$ 7,754.00

CONTRACTUAL

Postage, Communications, Printing, Advertising and other operating costs.	\$15,000.00
Office Space rent	<u>5,400.00</u>
SUB-TOTAL:	\$20,400.00

SUPPLIES

\$ 2,500.00

EQUIPMENT (one time costs only)

Desk, double pedestal, 70" x 36"	\$ 704.63	
Chair, swivel with arms	653.26	
Typewriter, IBM Selectric III	1,201.46	
Chair, side without arms	187.16	
Desk Calculator	137.65	
File Cabinet, 5-drawer, legal w/lock	401.61	
Table, 72" x 36"	324.82	
Wang terminal	<u>2,100.00</u>	
	\$5,710.59 x 2	\$11,421.18
FY 90 TOTAL GENERAL FUND EXPENDITURES		\$85,651.78

FY 90 REVENUE DETAIL

- One six day event:

18,000 players (estimate based on 3,000 per day for six days)

Handle of \$504.0 in total receipts based on an average wager of \$28
(Montana's average)

A takeout of 35%, with a State share of 10%, equals generated State
Revenues of \$50.4 per event.

- \$1.00 per person gate fee equals \$18.0 in State Revenues (\$1.00 times
18,000 players)

- Various permit fees will also be charged based on regulations set by the
Racing Commission, but it is not possible to estimate the revenues that
will be generated by those fees at this time.

FY 90 ESTIMATED REVENUE TOTAL: \$68,400.00

FY 91 EXPENDITURE DETAIL**PERSONAL SERVICES**

Executive Director, PX, Range 22A, 12 months	\$ 64,040.00
Clerk-Typist III, PX, Range 8A, 12 months	<u>27,735.88</u>
SUB-TOTAL:	\$ 91,775.88

TRAVEL

Four Commission meetings in Anchorage area	\$ 11,264.00
2 - Site inspections (two Anchorage Area members)	320.00
2 - Events (8 days; 2 Anch area Commissioners @ \$1280 ea.)	<u>2,560.00</u>
SUB-TOTAL:	\$ 14,144.00

CONTRACTUAL

Postage, Communications, Printing, Advertising and other operating costs.	\$ 15,000.00
Office Space rent	5,400.00
Contractual costs to provide services of an auditor and Investigator.	<u>15,000.00</u>
SUB-TOTAL:	\$ 35,400.00

SUPPLIES	\$ 2,500.00
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FY 91 TOTAL GENERAL FUND EXPENDITURES:	\$143,819.88
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FY 91 REVENUE DETAIL:

- Two (2) six day events

34,400 players per event (estimate based on approximately 5,700 players per day during each six day event)

Handle of \$963.2 in total receipts at each six-day event based on an average wager of \$28 (Montana's average)

A takeout of 35%, with State share at 10%, generates State Revenues of \$96.3 per event, or \$192.6 for the two events.

- \$1.00 per person for the two events equals \$68.6 in revenue (\$1.00 times 68,800 people equals \$68.8)
- Various licensing fees will be charged by the Racing Commission; pending the adoption of regulations setting those fees, it is not possible to estimate that additional revenue for this fiscal note.

FY 91 ESTIMATED REVENUE TOTAL:	\$261,200.00
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FY 92 EXPENDITURE DETAIL

CSHB 29 (L&C)
HOUSE 2/3/89

PERSONAL SERVICES

Executive Director, PX, Range 22A, 12 months	\$ 64,040.00
Clerk-Typist III, PX, Range 8A, 12 months	27,735.88
Auditor, PX, Range 18A, 6 months	24,787.25
Investigator III, PX, Range 18A, 6 months	<u>24,787.25</u>

SUB-TOTAL: \$141,350.38

TRAVEL

Four Commission meetings in Anchorage area	\$ 11,264.00
3 - Site inspections (by 3 members from Anchorage area and one from Fairbanks)	712.00
(2 Anch. P/D = 160 x 2 inspections = 320)	
(1 Anch. P/D = 80 + FBX Airfare = \$232 + 80 = 392)	
4 - Events (8 days; by 3 members from Anchorage area and one from Fairbanks)	<u>\$ 3,184.00</u>
(2 Anch. mbrs.: \$80 x 8 x 2 = 1280)	
(1 Anch. mbr: \$80 x 8 x 2 = \$1,280 +	
1 Fbx. mbr: \$232 + \$80 x 9 (extra day)	
x 2 = 1,904)	

SUB-TOTAL: \$ 15,160.00

CONTRACTUAL

Postage, Communications, Printing, Advertising and other operating costs.	\$ 15,000.00
Office Space rent	<u>5,400.00</u>

SUB-TOTAL: \$ 20,400.00

SUPPLIES \$ 2,500.00

FY 92 TOTAL GENERAL FUND EXPENDITURES: \$179,410.38

FY 92 REVENUE DETAIL:

- Four (4) six day events
 - 34,400 players per event (estimate)
 - Handle of \$963.2 in total receipts per event based on average wager of \$28 (Montana's average)
 - A takeout of 35%, with State share of 10% of the revenues generated, equals State Revenues of \$96.3 per event, or \$385.2 for the four estimated events.
- \$1.00 per person per event generates \$137.6 in revenue (\$1.00 times 34,400 times four events)

- Various licensing fees will also be assessed and generate revenue; however, pending the adoption of regulations setting those fees, it is not possible to identify or estimate those revenues for this fiscal note.

FY 92 ESTIMATED REVENUE TOTAL:

\$522,800.00

Original sponsors: Larson, Zawacki,
and Menard

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2

CS FOR HOUSE BILL NO. 29 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act establishing the Alaska Racing Commission and
authorizing parimutuel wagering at sanctioned events;
and providing for an effective date."

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

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* Section 1. AS 05 is amended by adding a new chapter to read:

11

CHAPTER 40. HORSE RACING.

12

ARTICLE 1. ALASKA RACING COMMISSION.

13

Sec. 05.40.010. ALASKA RACING COMMISSION. (a) The Alaska

14

Racing Commission is established in the Department of Commerce and
Economic Development. The commission is composed of five members
appointed by the governor. One member shall have experience in the
regulation, supervision, or conduct of parimutuel wagering or horse
racing; one member shall have experience in law enforcement; one
member shall have experience in bookkeeping or accounting; two members
shall be public members.

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(b) Each member of the commission shall at the time of the
member's appointment be a resident of the state.

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(c) A person may not serve as a member of the commission if that
person has been convicted of

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(1) a felony; or

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(2) an offense defined in AS 05.40.950, AS 11.66.200 -

27

11.66.280, or a comparable provision of municipal, state, or federal
law.

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(d) A person may not serve as a member of the commission until

1 the investigation required under AS 18.65.080 is completed.

2 (e) The commission shall elect a chairman from its membership.

3 (f) Three members of the commission constitute a quorum for the
4 transaction of business.

5 Sec. 05.40.020. TERM OF OFFICE. Members of the commission serve
6 staggered terms of four years. A vacancy is filled by appointment for
7 the unexpired term. A member of the commission holds office until a
8 successor is appointed and qualifies.

9 Sec. 05.40.030. REMOVAL AND SUSPENSION OF MEMBERS. (a) The
10 governor may remove a member for cause, including incompetence, ne-
11 glect of duty, or misconduct in office. A member being removed for
12 cause shall be given a copy of the charges and afforded an opportunity
13 to publicly present a defense in person or by counsel upon not less
14 than 10 days' notice. If a member is removed for cause, the governor
15 shall file with the lieutenant governor a complete statement of all
16 charges made against the member and the governor's findings based on
17 the charges, together with a complete record of the proceedings.

18 (b) The governor may immediately suspend a member for a vio-
19 lation of law or for misconduct in office pending removal from office
20 under (a) of this section.

21 Sec. 05.40.040. COMPENSATION AND PER DIEM. Members of the
22 commission do not receive a salary for their service on the commission
23 but are entitled to per diem and travel expenses authorized by law for
24 state boards and commissions under AS 39.20.180.

25 Sec. 05.40.050. DUTIES AND POWERS OF THE COMMISSION. (a) The
26 commission shall, in consultation with the attorney general,

27 (1) adopt regulations concerning

28 (A) the issuance, renewal, suspension, and revocation
29 of licenses and special permits;

- 1 (B) the immediate suspension of a license or special
2 permit of a person subject to this chapter during an investiga-
3 tion of a violation of this chapter or a regulation adopted under
4 this chapter;
- 5 (C) the appointment of race officials, including race
6 meet observers, and their duties;
- 7 (D) the distribution of the parimutuel pool among the
8 race meet operator, purse money, winning tickets, and the commis-
9 sion;
- 10 (E) retention of breakage by a race meet operator;
- 11 (F) veterinary standards for race meets;
- 12 (G) parimutuel equipment to be used by race meet
13 operators;
- 14 (H) auditing procedures; and
- 15 (I) other matters directly related to horse racing and
16 parimutuel wagering;
- 17 (2) regulate and supervise all horse races;
- 18 (3) inspect and approve race tracks and race horses;
- 19 (4) establish racing dates and durations;
- 20 (5) sanction horse racing within municipalities at loca-
21 tions approved by the commission;
- 22 (6) set all license and special permit fees;
- 23 (7) make an annual report to the commissioner of commerce
24 and economic development and the legislature of its administration of
25 this chapter before February 15 of each year;
- 26 (8) keep detailed records of all race meets and of all col-
27 lections and disbursements;
- 28 (9) supervise the making and distribution of parimutuel
29 pools.

- 1 (b) The commission may
- 2 (1) hire staff, and appoint persons as race meet observers,
- 3 as needed to administer this chapter, if the investigation required
- 4 under AS 18.65.080 finds that the person has not been convicted of a
- 5 crime set out in AS 05.40.010(c);
- 6 (2) issue subpoenas to compel witnesses to appear before
- 7 it;
- 8 (3) compel the production of documents showing the receipts
- 9 and disbursements of a race meet operator;
- 10 (4) appoint a hearing officer to conduct a hearing required
- 11 by this chapter or by a regulation adopted under it;
- 12 (5) by regulation, impose an admission surcharge for a race
- 13 meet not to exceed \$1 without regard to whether the race meet operator
- 14 charges an admission fee.

15 Sec. 05.40.060. EMPLOYEES OF THE COMMISSION. Employees of the

16 commission are in the partially exempt service under AS 39.25.120.

17 Sec. 05.40.070. REGULATIONS OF THE COMMISSION. The attorney

18 general shall enforce the regulations of the commission.

19 Sec. 05.40.080. RECORDS OF THE COMMISSION. All records of the

20 commission are public records and subject to public inspection.

21 Sec. 05.40.090. PROCEEDS. Fees and other money received by the

22 commission shall be paid into the general fund.

23 ARTICLE 2. RACE MEETS.

24 Sec. 05.40.100. RACE MEET OPERATOR'S LICENSE. (a) A person may

25 not conduct a race meet in the state without a race meet operator's

26 license issued by the commission. A race meet operator's license is

27 valid for three years unless revoked or suspended by the commission.

28 (b) The race meet operator has the exclusive right to operate or

29 contract for the operation of concessions at the site of the race

1 meet.

2 (c) A race meet operator's license may not be issued until the
3 investigation required under AS 18.65.080 is completed. A person
4 convicted of a crime set out in AS 05.40.010(c) may not receive a race
5 meet operator's license.

6 (d) A race meet may be conducted only within a municipality.

7 Sec. 05.40.110. SPECIAL PERMITS. (a) A person may not partici-
8 pate in a race meet as an owner of an animal participating in the race
9 meet, trainer, jockey, driver, attendant, groom, stable person, veter-
10 inarian, employee of a race meet operator, concessionaire, or conces-
11 sion employee without a special permit issued by the commission.

12 (b) A special permit is valid for one year unless revoked or
13 suspended by the commission. The commission may not issue a special
14 permit under this section until the investigation required under
15 AS 18.65.080 is completed. A person convicted of a crime set out in
16 AS 05.40.010(c) may not receive a special permit.

17 Sec. 05.40.120. LOCAL OPTION. The commission may not sanction a
18 race meet within a municipality unless

19 (1) a majority of the voters in the municipality has ap-
20 proved a referendum authorizing parimutuel wagering on horse races and
21 providing for municipal licensing of race meets within the municipal-
22 ity; and

23 (2) the municipality, after a public hearing on the li-
24 cense, has approved issuance or renewal of the municipal license for
25 the race meet.

26 Sec. 05.40.130. DISTRIBUTION OF PARIMUTUEL POOL. (a) Except as
27 provided in (b) and (c) of this section, the parimutuel pool shall be
28 distributed

29 (1) 65 percent to the holders of winning tickets;

1 (2) 15 percent to the race meet operator conducting the
2 race meet;

3 (3) 10 percent as purse money; and

4 (4) 10 percent to the commission.

5 (b) The commission may by regulation adjust the distribution of
6 the parimutuel pool as necessary to promote efficient and successful
7 race meets. The percentage allocated to holders of winning tickets
8 shall be at least 65 percent of the parimutuel pool.

9 (c) Notwithstanding AS 34.45, money that is owed to holders of
10 winning tickets but not claimed within six months after the date for
11 distributicn of the parimutuel pool shall be paid to the commission
12 for deposit into the general fund.

13 Sec. 05.40.140. REPORTS BY THE RACE MEET OPERATOR. (a) The
14 race meet operator shall report to the commission within 30 days after
15 each race on the distribution of the parimutuel pool.

16 (b) The race meet operator shall report to the commission within
17 30 days after the end of the race meet on the operation and proceeds
18 of concessions at the site of the race meet.

19 Sec. 05.40.150. OBSERVATION OF RACE MEETS. (a) The commission
20 may appoint a member of the commission or other person to observe the
21 conduct of race meets. An observer shall be present at the site of
22 each race meet on the day before, the day after, and during the race
23 meet.

24 (b) A person who is not a member of the commission or an em-
25 ployee of the commissior does not receive a salary but is entitled to
26 per diem and travel expenses, for each day the person is engaged in
27 the actual performance of duties as a race meet observer.

28 ARTICLE 3. GENERAL PROVISIONS.

29 Sec. 05.40.900. ADMINISTRATIVE PROCEDURE ACT. The operations of

1 the commission are subject to the Administrative Procedure Act
2 (AS 44.62).

3 Sec. 05.40.910. CONFLICT OF INTEREST ACT. The commission is
4 subject to AS 39.50 (conflict of interest).

5 Sec. 05.40.950. PROHIBITED ACTS AND PENALTIES. (a) It is a
6 class A misdemeanor to

7 (1) violate or fail to comply with a regulation of the
8 commission or a provision of this chapter if no effect on the outcome
9 of a horse race was intended;

10 (2) record, report, or register a wager on a horse in a
11 horse race unless under the provisions of this chapter;

12 (3) place a wager upon the results of a horse race except
13 by a parimutuel method of wagering conducted by a race meet operator
14 licensed under this chapter, and upon the grounds or enclosure of the
15 race meet operator;

16 (4) permit a person under the age of 21 to use the pari-
17 mutuel system.

18 (b) Violation of a regulation or provision of this chapter with
19 intent to affect the outcome of a horse race is a class C felony.

20 Sec. 05.40.990. DEFINITIONS. In this chapter

21 (1) "breakage" means the odd cents by which the amount
22 payable on each dollar wagered exceeds a multiple of 10 cents; break-
23 age may not exceed 20 percent of the total amount deposited in the
24 pool;

25 (2) "commission" means the Alaska Racing Commission;

26 (3) "harness race" means a race where the horses are har-
27 nessed to a sulky, carriage, or similar vehicle and driven by a driv-
28 er;

29 (4) "horse race" means either a race where the horses are

1 mounted and ridden by jockeys or a harness race;

2 (5) "parimutuel" means a form of wagering on the outcome of
3 horse races in which those who wager personally purchase tickets of
4 various denominations on a horse and all wagers for each race are
5 pooled and held by the race meet operator for distribution; when the
6 outcome of the race has been decided, the race meet operator distrib-
7 utes the percentage of the total wagers determined by the commission
8 to holders of tickets on the winning horses;

9 (6) "race meet" means an exhibition that includes horse
10 races, where the parimutuel system is used;

11 (7) "race meet operator" means the person who is authorized
12 to conduct a race meet sanctioned by the commission;

13 (8) "special permit" means a permit issued by the commis-
14 sion to participants in a race meet, other than the race meet opera-
15 tor, under AS 05.40.110.

16 * Sec. 2. AS 18.65.080 is amended by adding a new subsection to read:

17 (b) The Department of Public Safety shall investigate and ascer-
18 tain whether the following persons have been charged with a crime set
19 out in AS 05.40.010(c):

20 (1) a person appointed by the governor to serve as a member
21 of the Alaska Racing Commission;

22 (2) an applicant for employment with the Alaska Racing
23 Commission;

24 (3) an applicant to serve as a race official or race meet
25 observer;

26 (4) an applicant for a license under AS 05.40.100 or a
27 special permit under AS 05.40.110.

28 * Sec. 3. AS 39.25.120(c) is amended by adding a new paragraph to read:

29 (21) employees of the Alaska Racing Commission.

- 1 * Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:
2 (50) Alaska Racing Commission (AS 05.40.010).
- 3 * Sec. 5. AS 44.62.330(a) is amended by adding a new paragraph to read:
4 (55) Alaska Racing Commission (AS 05.40.010).
- 5 * Sec. 6. INITIAL COMMISSION APPOINTMENTS. The governor shall make the
6 initial appointment of members of the Alaska Racing Commission within 120
7 days after the effective date of this Act.
- 8 * Sec. 7. This Act takes effect July 1, 1990.

Alaska State Legislature

Representative Fran Ulmer



PO. Box V
Juneau, Alaska 99811
(907) 465-4947

HOUSE OF REPRESENTATIVES

MEMORANDUM

May 3, 1989

TO: Rep. Ron Larson, Co-Chair
Rep. Lyman Hoffman, Co-Chair
House Finance Committee

FROM: Rep. Fran Ulmer

RE: Amendment to CSHB 28 (State Affairs)

The purpose of CSHB 28 (State Affairs) is to address consumer problems resulting from the activities of "alternate operator services" which provide long distance telecommunications services in a non-residential setting, typically a hotel. This bill places certain requirements on the "AOS" within Alaska consumer protection statutes, AS 45.50.

The attached amendment which I propose to add to the bill places essentially the same requirements on an AOS (alternate operator service) within the Alaska Public Utilities Commission statutes, AS 42.05. This amendment specifies that an alternate operator service must register its tariffs with the Alaska Public Utilities Commission. In addition, the amendment requires that an AOS must identify itself to the consumer and disclose the cost of the service before a call is placed. If the consumer requests it, the AOS must transfer or assist in the transfer of the consumer's call to the consumer's carrier of choice, without charging the consumer for the transfer.

This amendment also expands the definition of "alternate operator service" in order to clarify the original definition in the bill. This definition explicitly excludes a long distance, interstate or intrastate carrier who contracts for operator services rather than hire regular employees and whose rates are no greater than the rates charged by long distance carriers regulated by the APUC or the FCC.

House Finance Committee

5/3/89

Page 2

I have discussed this amendment with Ms. Susan Knowles, Chairman of the Public Utilities Commission, Mr. Robert Mintz, Chief of the Consumer Protection Division in the Dept. of Law, and with representatives of both long distance carriers in the state, as well as Mr. Pignalberi of the bill sponsor's office. All are in agreement on this amendment. Ms. Knowles states that the use of contractual services by a long distance carrier is a management decision which is clearly the right of the carrier and was not intended for regulation under the scope of this bill.

I have also attached a copy of a newspaper article which describes similar actions taken by the Federal Communications Commission in regard to this problem.

FU/dl

Travelers get phone bill of rights

By Mark Lewyn
USA TODAY

The government is cracking down on long-distance companies that charge a small fortune to place a call from a hotel, airport or hospital phone.

Monday, the Federal Communications Commission told five companies that charge customers 20 percent to 80 percent more than AT&T, MCI or Sprint that they must inform callers of their costs.

The so-called "alternative operators" also must tell customers which company is placing the call before it goes through — and it can't block callers from using other long-distance carriers.

But the FCC decided not to regulate the firms' rates.

Until now, many callers using private pay phones were only finding out weeks later — when the phone bill arrived — that they were charged a premium for a phone call.

That has prompted complaints, particularly from business travelers. Response: Many hospitals, airports and hotels have stopped using them.

Among the firms cited in the FCC order: Central Corp., International Telecharge Inc., National Telephone Services Inc., Payline Systems Inc. and Telesphere Network Inc.

Right now, all these companies buy phone time from a major carrier such as AT&T and MCI and then give the hotel, airport or hospital that uses the service a cut of revenues.

The FCC also said Monday alternative operators must:

- ▶ Put a sticker on the phone with price information or tell the caller the price.

- ▶ Give callers a chance to hang up without any charge.

0001 . . . For Home

A M E N D M E N T

OFFERED IN THE HOUSE

TO: CSHB 28 (State Affairs)

Page 1, after line 14:

Insert a new bill section to read:

"* Sec. 2. AS 42.05 is amended by adding a new section to read:

Sec. 42.05.325. REGISTRATION AND REGULATION OF ALTERNATE OPERATOR SERVICES. (a) An alternate operator service may not operate in the state until it has registered and filed its tariffs with the commission. The application for registration must include the service's name, the address of its principal place of business, and the name and address of each of the officers of the service.

(b) An alternate operator shall identify the entity that is providing the alternate operator service and the cost of the service before the consumer incurs a charge for the call. If requested, the alternate operator shall transfer or assist in the transfer of the consumer's call to the consumer's carrier of choice. The consumer may not be charged for the transfer. The service shall also post on or near the telephone instruments subject to the alternate operator service information indicating that the consumer may have access to the carrier the consumer prefers to use at no additional charge.

(c) In this section, "alternate operator service"

(1) means a connection to intrastate or interstate long-distance telecommunications facilities from a nonresidential location

in the state including a hotel, motel, hospital, or customer-owned pay telephone, or from a place where business from consumers is aggregated, by a person that does not own any of the telecommunications facilities being connected through the service;

(2) does not include an intrastate or interstate long-distance carrier that contracts for operator services and charges rates for those services that are no greater than the rates charged by long-distance carriers regulated by the Alaska Public Utilities Commission or by the Federal Communications Commission."

Renumber the following bill sections accordingly.

Page 2, line 2, after "service"", through line 7:

Delete all material.

Insert "has the meaning given in AS 42.05.325(c)."

STATE OF ALASKA
THE LEGISLATURE

POUCHY STATE CAPITOL
JUNEAU, ALA. 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 28, 1989

SUBJECT: Sectional analysis of CSHB 29(L&C)
TO: Representative Ron Larson
FROM: Terri Lauterbach *TL*
Legislative Counsel

The following is a sectional analysis of CSHB 29(L&C).

Please note that a section-by-section analysis or summary of a bill should not be considered an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1. Section 1 of the bill provides for the creation of a commission to regulate racing and parimutuel wagering.

ARTICLE 1. ALASKA RACING COMMISSION.

Sec. 05.40.010 establishes the Alaska Racing Commission in the Department of Revenue. The commission is composed of five members appointed by the governor. One member of the commission shall have experience in the regulation, supervision, or conduct of parimutuel wagering or horse racing, one member shall have experience in law enforcement, one member shall have experience in bookkeeping or accounting, and two members shall be public members. Members of the commission must be residents of the state. A person may not be appointed to the commission if that person has been convicted of a felony or gambling offense. A person may not serve as a member of the commission until a background check is completed by the Department of Public Safety. The commission members elect the chairman. Three members of the commission constitute a quorum.

Sec. 05.40.020 sets the term of appointment to the commission at four years.

Sec. 05.40.030 establishes procedures for removal of a member from the commission.

Sec 05.40.040 provides that members of the commission receive no salary but do receive per diem and travel expenses authorized for boards and commissions when the members are serving on the board.

Sec. 05.40.050 sets out the duties and powers of the commission. The commission shall adopt regulations concerning licenses and special permits for persons subject to the jurisdiction of the commission, appointment of officials to monitor races, distribution of the parimutuel pool, veterinary standards for races, the equipment used for parimutuel wagering, auditing procedures, and other matters related to horse racing and parimutuel wagering. The commission shall also regulate races, inspect race tracks and racing animals, establish racing dates and durations, sanction racing at specific locations, set fees, make an annual report to the commissioner of revenue and the legislature by February 15 of each year, keep detailed records of race meets and all collections and disbursements, and supervise parimutuel pools.

The commission may hire staff, compel witnesses to appear before the commission, compel production of documents of race meet operators, appoint hearing officers, and impose, by regulation an admission surcharge for races meets without regard to whether the race track charges admission.

Sec. 05.50.060 provides that commission employees are in the partially exempt service.

Sec. 05.40.070 provides that the Attorney General will enforce the regulations of the commission.

Sec. 05.40.080 provides that the records of the commission are public.

Sec. 05.40.090 provides that money received by the commission shall be paid into the state's general fund.

ARTICLE 2. RACE MEETS.

Sec 05.40.100 requires that a person conducting a race meet be licensed by the commission. A race meet operator's license is valid for three years unless revoked or suspended. The race meet operator has the exclusive right to operate or contract for the operation of concessions at the site

of the race meet. A person convicted of a felony or a gambling offense may not receive a license to conduct a race meet.

Sec. 05.04.110 provides that a person may not participate in a race meet as an animal owner, trainer, jockey, driver, attendant, groom, stable hand, veterinarian, employee of the race meet operator, concessionnaire, or concession employee without receiving a special permit issued by the commission. A special permit is valid for one year unless revoked or suspended.

Sec. 05.40.120 prohibits the commission from sanctioning a race within a municipality unless the voters of the municipality have approved a referendum authorizing parimutuel wagering on horse races within the municipality and the municipality, after holding a public hearing, approves issuance or renewal of the license.

Sec. 05.40.130 provides that the parimutuel pool shall be distributed 65 percent to the holders of winning tickets, 15 percent to the race meet operator, 10 percent as purse money, and 10 percent to the commission. The amount of the pool distributed to holders of winning tickets shall be at least 65 percent and may be increased by the commission if the commission finds that it is necessary to promote efficient and successful race meets. The commission may adjust the distribution of the remaining 35 percent of the pool among purse money, the race meet operator, and the commission as necessary.

Sec. 05.40.140 provides that the race meet operator shall report to the commission within 30 days after each race on the distribution of the parimutuel pool. The race meet operator shall report to the commission on the operation and proceeds of concessions at the site of the race meet within 30 days after the end of the race meet.

Sec. 05.40.150 provides that the commission may appoint persons, including members of the commission, to serve as observers of race meets. An observer shall be present at the site of a race meet on the day before, the day after, and during the race meet.

ARTICLE 3. GENERAL PROVISIONS.

Sec 05.40.900 provides that the commission is subject to the Administrative Procedure Act.

Sec. 05.40.910 provides that members of the commission are subject to the prohibitions against conflict of interest.

Sec. 05.40.950 establishes prohibited acts and penalties. It is a class A misdemeanor to

1) violate a regulation of the commission if no effect on the outcome of a race licensed by the commission was intended;

2) record, report, register, or place a wager on a horse race except as provided under the authority of the commission;

3) permit a person under 21 years of age to place a wager.

A class A misdemeanor is punishable by imprisonment of not more than one year or a fine of not more than \$5,000 or both.

It is a class C felony to violate a provision of AS 05.40 or a regulation of the commission with the intent to affect the outcome of a race. A class C felony is punishable by imprisonment of not more than five years or a fine of not more than \$50,000, or both.

Sec. 05.40.990 establishes definitions for "breakage", "commission", "harness race", "horse race", "parimutuel", "race meet", "race meet operator", and "special permit".

Sec. 2. Section 2 of the bill amends AS 18.65.080 by providing that the Department of Safety shall investigate whether a person appointed to the commission, a person employed by the commission, a race official, a race meet operator, or a person required to obtain a special permit has been charged with a felony or a gambling offense.

Sec. 3. Section 3 of the bill amends AS 39.25.120(c) to include commission employees in the partially exempt service.

Sec. 4. Section 4 of the bill amends AS 39.50.200(b) to include the Alaska Racing Commission within the definition of "state commission or board" so that members of the commission are subject to prohibitions against conflict of interest.

Representative Ron Larson
Page 5
February 28, 1989

Sec. 5. Section 5 of the bill amends AS 44.62.330(a) so that the Alaska Racing Commission is subject to the procedures applicable to administrative adjudication under AS 44.62.330 - 44.62.630.

Sec. 6. Section 6 of the bill imposes a duty on the governor to appoint the initial members of the commission within 120 days after the effective date of this Act.

Sec. 7. Section 7 of the bill gives the bill an effective date of July 1, 1990.

TL:kb
WKK2/072

Alaska State Legislature



Session Address:
STATE CAPITOL BUILDING
BOX V
JUNEAU, ALASKA 99811
(907) 465-3727

Interim Address:
BOX 53
PALMER, ALASKA 99645
(907) 745-3828 - Palmer
(907) 376-8828 - Wasilla

Representative Ronald L. Larson
District 16B

TO: House Finance Committee Members
FROM: Ronald L. Larson *R.L.*
DATE: February 7, 1989
RE: HB 29, Establishing the Alaska Racing Commission

On Thursday, February 16, HB 29 is scheduled to come before the House Finance Committee for hearing. I would like to take this opportunity to share with you some of my thoughts on the contents of this proposal.

HB 29, an Act establishing the Alaska Racing Commission and authorizing Parimutuel Wagering, is basically the same as the final form of HB 32 from the Fifteenth Legislative Session. Last year, HB 32 was held in the Senate Finance Committee upon adjournment. HB 32, after eight committee hearings and over seventy five (75) amendments, had grown from a good bill to a better bill. It is my hope that we will be successful in passing this legislation (now HB 29) during this current legislative session.

Enclosed are some questions and corresponding answers relating to parimutuel wagering. These were prepared to give you and your staff some general information on the subject before presenting it to you in committee.

I ask and urge for your support of HB 29 during the Sixteenth Legislative Session. If I or my staff can be of any assistance to you, please do not hesitate to contact my office. We would appreciate any opportunity to chat with you.

Thank you for your time.

BILL NO: HB 29

DATE: January 18, 1989

TITLE: "An Act establishing the
Alaska Racing Commission
and authorizing parimutuel
wagering..."

CONTACT: Gayle A. Horetski
Deputy Commissioner
465-4322

DEPARTMENT OF
PUBLIC SAFETY
COMMUNICATIONS CENTER

House Bill 29 will legalize parimutuel betting at horse races and regulate horse racing at sanctioned events for the purpose of allowing parimutuel wagering.

Under Section 2 of the bill, the Department of Public Safety will be required to run criminal history checks on certain individuals. Because the number of persons whose records must be checked is expected to be very small, the Department believes that this impact can be absorbed using existing staff and resources.

The Department of Public Safety has no position on this bill.

Gayle A. Horetski
for Arthur English
Commissioner

SAMPLE BALLOT

To Be Removed by Election Judge

To Be Removed by Election Judge

FOLD TO THIS LINE

CITY OF PALMER GENERAL ELECTION

October 7, 1986

-
- Mark only by use of cross marks, "X" marks, check or plus signs. Place marks in squares.
 - marks must be inside or touching the squares so as to indicate the intent of the voter. Erasures and corrections will invalidate only that part of the ballot on which it appears.
 - If you spoil or mar your ballot you may return it to the election judge and receive another ballot.
-

Mayor

Three Year Term
(Vote for not more than One)

GEORGE W. CARTE'

Council

Three Year Term
(Vote for not more than Two)

ROBERT M. "RED" HENDERSON

JEANNINE L. JOHNSON

Advisory Proposition No. 1

"Do You Support the Concept of Local Option Pari-Mutuel Horse Racing?"

Yes

No

CITY OF PALMER SPECIAL CITY COUNCIL MEETING MINUTES - OCTOBER 9, 1986

June Tull	Council	1	0	1
Eve Hermon	Council	1	0	1
Roger Saunders	Council	1	0	1
S. Luse	Council	1	0	1
Dorothy Saxton	Council	1	0	1
Jerry Hann	Council	3	0	3
ADVISORY PROPOSITION NO. 1	YES	264	6	270
	NO	155	1	156

There was a total of 464 votes cast.

MOVED BERBERICH, SECONDED JOHNSON to certify the election results as presented. MCU.

2. Award Bid - Water Well.

On October 3, 1986 bids were opened for the new water well located at the southwest corner of the airport. Two bids were received, one from RG&B Contractor for \$74,400 and the other from M-W Drilling for \$44,428. The administration recommended award to M-W Drilling as the low bidder. There were no irregularities in either of the bids.

MOVED BERBERICH, SECONDED PIPPEL to award the bid for the new water well to M-W Drilling, the low bidder in the amount of \$44,428. MCU.

3. Award Bid - Runway Paving.

Bids were opened at 10:30 A.M. today for the runway paving project. Three bids were received as follows: Hermon Brothers for \$159,166.80; Wilder Construct for \$163,300 and Rasco for \$309,630. The engineer's estimate was \$185,350. The administration recommended award to the low bidder, Hermon Brothers in the amount of \$159,166.80. These bids were reviewed by both the engineer and attorney and there were no irregularities.

MOVED BERBERICH, SECONDED LONG to award the Runway Paving bid to the low bidder, Hermon Brothers in the amount of \$159,166.80. MCU.

4. Award Bid - Town Square Project.

Four bids were received and opened at 11 A.M. today on the town square earthwork project which entails contouring the land and building terms. Bids were received from: Alaska Central Construction for \$12,800; Kopperud Transportation for \$21,695; Hermon Brothers for \$27,758; and Ohno Construction for \$35,280. The engineer's estimate was \$17,500. The administration recommended awarding this bid to the low bidder, Alaska Central Construction in the amount of \$12,800. These bids were also reviewed by the attorney.

MOVED LONG, SECONDED JOHNSON to award the Town Square Earthwork to the low bidder, Alaska Central Construction in the amount of \$12,800. MCU.

CITY OF PALMER
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D. ADJOURN

DAVID L. SO

ATTACHMENT "A"

ELECTION WORKSHEET REGULAR ELECTION 10-7-76

ELECTION OF 1976

SEAT "C" CANDIDATES	REGULAR		ABSENTEE		QUESTIONED		TOTAL	%
	037	038	037	038	037	038		
MOSLEY, VINCENT T.	168	108	12	11	0	0	299	47.54%
PATTERSON, DONALD C.	172	130	11	7	0	0	325	51.67%
WRITEINS	3	2	0	0	0	0	5	.79%
TOTAL	348	240	23	18	0	0	629	100.00%

SEAT "D" CANDIDATES	REGULAR		ABSENTEE		QUESTIONED		TOTAL	%
	037	038	037	038	037	038		
BEUTLER, CLYDE	93	66	3	7	0	0	169	26.04%
CARNEY, DOMONIC	129	127	13	6	0	0	275	42.37%
GROB, DONALD (RICK)	125	63	7	8	0	0	203	31.28%
WRITEINS	2	0	0	0	0	0	2	.31%
TOTAL	349	256	23	21	0	0	649	100.00%

SEAT "E" CANDIDATES	REGULAR		ABSENTEE		QUESTIONED		TOTAL	%
	037	038	037	038	037	038		
HJELLEN, PAT	157	108	13	12	0	0	290	43.22%
KEMP, MICHAEL	207	151	10	10	0	0	378	56.33%
WRITEINS	2	1	0	0	0	0	3	.45%
TOTAL	366	260	23	22	0	0	671	100.00%

SEAT "F" CANDIDATES	REGULAR		ABSENTEE		QUESTIONED		TOTAL	%
	037	038	037	038	037	038		
CARTER, THOMAS L.	157	149	10	5	0	0	321	50.00%
MAW, TERRY R.	69	46	1	2	0	0	118	18.38%
POSEY, DONALD R.	118	59	12	12	0	0	201	31.31%
WRITEINS	2	0	0	0	0	0	2	.31%
TOTAL	346	254	23	19	0	0	642	100.00%

CANDIDATES	REGULAR		ABSENTEE		QUESTIONED		TOTAL	%
	037	038	037	038	037	038		
BUSHNELL, KILLET R.	51	37	2	2	0	0	101	14.15%
COTTE, COLLEEN G.	21	21	1	1	0	0	50	7.00%
DeCAMP, RICHARD J. (MR.)	27	43	2	5	0	0	117	16.39%
LANGILL, FRANK S.	12	1	0	0	0	0	23	3.22%
MCCARTHY, RAYMOND F.	15	10	0	0	0	0	25	3.50%
MARTIN, ED SR.	52	31	5	2	0	0	99	13.87%
NEWCOMB, HAROLD S.	52	59	7	7	0	0	129	18.47%
PAGE, DOROTHY B.	52	44	3	5	0	0	110	14.57%
WRITEINS	5	1	0	0	0	0	6	.84%
TOTALS	385	285	24	22	0	0	714	100.00%

ADVISORY QUESTIONNAIRE

PARI-MUTUEL HORSE RACING

	037	038	037	038	037	038	TOTAL	%
YES	181	181	15	16	0	0	393	61.99%
NO	130	99	6	6	0	0	241	38.01%
TOTAL							634	100.00%

Presented by: Silvers
Introduced: -03/03/87
Drafted by: G.L.S.

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 87-032

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH SUPPORTING
HOUSE BILL 32 AND SENATE BILL 63.

WHEREAS, the Alaska State Legislature has pending before it House Bill 32 and Senate Bill 63 that would authorize state controlled parimutuel betting on horse and dog racing where approved at a local option election, and

WHEREAS, the voters in the cities of Palmer and Wasilla have previously approved in an advisory vote the conduct of certain parimutuel wagering within their boundaries, and

WHEREAS, parimutuel wagering would create a direct source of revenue for the state and thereby reduce the need for new or increased state taxes, and

WHEREAS, authorization of parimutuel wagering would make possible a new, non-polluting industry in Alaska, and

WHEREAS, horse and dog racing in the borough would create a demand for feed, pasture and other agricultural products and services related to animal husbandry that are readily available in the borough, and

WHEREAS, horse and dog racing in the borough would be a tourist attraction for Alaska, bringing visitors from other states as well as other areas of Alaska, and

WHEREAS, horse and dog racing in the borough would generate additional use of the Alaska Railroad, and

WHEREAS, construction and operation of a race track and associated facilities and concessions in the borough would provide new employment opportunity for Alaskans;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH:

1. That the Assembly supports the concept of state controlled parimutuel wagering on horse and dog racing when locally approved and as generally set out in House Bill 32 and Senate Bill 63 and strongly urges the legislature to adopt legislation authorizing parimutuel wagering on such racing.

2. That copies of this resolution be sent to The Honorable Steve Cowper, Governor of the State of Alaska, and to each member of the Alaska Legislature.

PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 4th day of March, 1987.

Dorothy A. Jones
Dorothy A. Jones, Mayor

ATTEST:

Chris Seagraves
Chris Seagraves, Clerk

(SEAL)

File with 17B 5A

CITY OF PALMER, ALASKA

ORDINANCE NO. 321

AN ORDINANCE CREATING A NEW CHAPTER 3.32 OF TITLE 3 OF THE PALMER MUNICIPAL CODE ENTITLED PARI-MUTUEL WAGERING ON CERTAIN HORSE RACES.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be of a permanent nature and shall become a part of the City of Palmer Code of Ordinances.

Section 2. Severability. If any provisions of this ordinance, or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Chapter 3.32-Pari-Mutuel Wagering of Title 3 of the Palmer Municipal Code is hereby created as follows:

3.32.010 General. Pari-mutuel betting on horse racing may be permitted under this chapter to the extent not prohibited by Alaska State Statutes.

3.32.020 Sales Tax Applicability. A two (2) percent sales tax shall be charged on all gate admissions, concessions and gross monies deposited in the pari-mutuel system, to the extent not prohibited by Alaska State Statutes.

Section 4. Publication and Effective Date. This ordinance shall become effective immediately upon its adoption and publication shall be by posting a copy hereof on the City Hall bulletin board for a period of ten (10) days following its adoption, and it shall be published by being printed and included in the Palmer Municipal Code at its next regular supplementation and printing.

A notice of public hearing shall be given by such posting at least five (5) days before final passage.

First Reading: August 1, 1985

Public Hearing & Second Reading: August 13, 1985

Adopted by the City Council of the City of Palmer, Alaska, this 13th day of August, 1985.



GEORGE W. CARVE, MAYOR

DAVID L. SOULAK, CITY CLERK



CITY OF WASILLA

P.O. BOX 870430
WASILLA, ALASKA 99687
PHONE: 376-5227

Requested by: Mayor Bump
Prepared by: Mayor's Off

RESOLUTION NO. W85-J-6

A RESOLUTION OF THE CITY OF WASILLA SUPPORTING LOCAL OPTION FOR PARI-MUTUEL GAMBLING.

WHEREAS, the State of Alaska no longer has the funds to support local Capital Improvements that accomodates current growth patterns; and


WHEREAS, it is the City of Wasilla's goal to become financially independent, if possible; and

WHEREAS, Pari-Mutuel Gambling would enhance economic development and provide a major tax revenue source for the City of Wasilla;

NOW, THEREFORE BE IT RESOLVED that the City of Wasilla supports local option for pari-mutuel gambling.

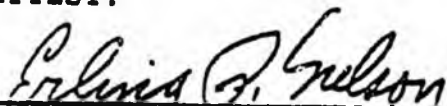
I certify that a resolution in substantially the above form was passed by a majority of those voting at a duly called and conducted meeting of the governing body of the City of Wasilla this 12th day of AUGUST, 1985.

APPROVED:



Charles H. Bumpus, Mayor

ATTEST:



Erling P. Nelson, City Clerk, CMC

(SEAL)

File with 17654

CITY OF PALMER, ALASKA

ORDINANCE NO. 321

AN ORDINANCE CREATING A NEW CHAPTER 3.32 OF TITLE 3 OF THE PALMER MUNICIPAL CODE ENTITLED PARI-MUTUEL WAGERING ON CERTAIN HORSE RACES.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be of a permanent nature and shall become a part of the City of Palmer Code of Ordinances.

Section 2. Severability. If any provisions of this ordinance, or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

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Section 4. Publication and Effective Date. This ordinance shall become effective immediately upon its adoption and publication shall be by posting a copy hereof on the City Hall bulletin board for a period of ten (10) days following its adoption, and it shall be published by being printed and included in the Palmer Municipal Code at its next regular supplementation and printing. A notice of public hearing shall be given by such posting at least five (5) days before final passage.

First Reading: August 1, 1985

Public Hearing &
Second Reading: August 13, 1985

Adopted by the City Council of the City of Palmer, Alaska, this 13th day of August, 1985.



GEORGE W. CARVE, MAYOR

DAVID L. SOULAK, CITY CLERK

Horse Racing At The Fair



TRIPLE TUFF leads the field in one of last year's races at the new Alaska State Fair race track south of Palmer.

Riding is Bobby McCarthy Jr. Triple Tuff is now owned by Len and Marsha Melton.

Photo Finish At State Fair

Nearly 1,000 people gathered at the Alaska State Fair race track in Palmer over the weekend to watch 22 horses charge across the finish line with one race so close only the photo finish camera could tell the winner. Great interest has generated among the crowd in racing.

Friday night the 220 winner was Pow Wow Gidget owned by Ellis Enterprises and ridden by Dana Richmond; second Thanks Doc, owner Jinx Coster, jockey Sissy Melton; third was Dungaree ridden by Steve Clark and owned by Dennis Clark. In the 350, Doc won over Pow Wow Gidget.

The 440 saw Babe's Twig owned and ridden by Cecil Premus take the race with Triple Tuff owned by Len Melton, ridden by Hoot Melton, hot on his heels and Moon's Hotshot, Ellis Enterprises and jockey Dana Richmond taking third. Just a Bird and Mac's Little Kid also ran.

General Bars ridden by Bob McCarthy, owner Dennis Clark, won over Nile Queen ridden by Kris Ruetman, owned by Emmett Roetman. Both are thoroughbreds.

An exciting cow pony race

with eight entries had only a third place winner, Danny owned and ridden by Kelly Wilson. The first and second place animals were disqualified for fouls.

Outstanding weather contributed to standing room only for Saturday afternoon racing. Pow Wow Gidget took Thanks Doc and Ragged Ann owned by Esther Erikson and ridden by Terry Erickson in the 220.

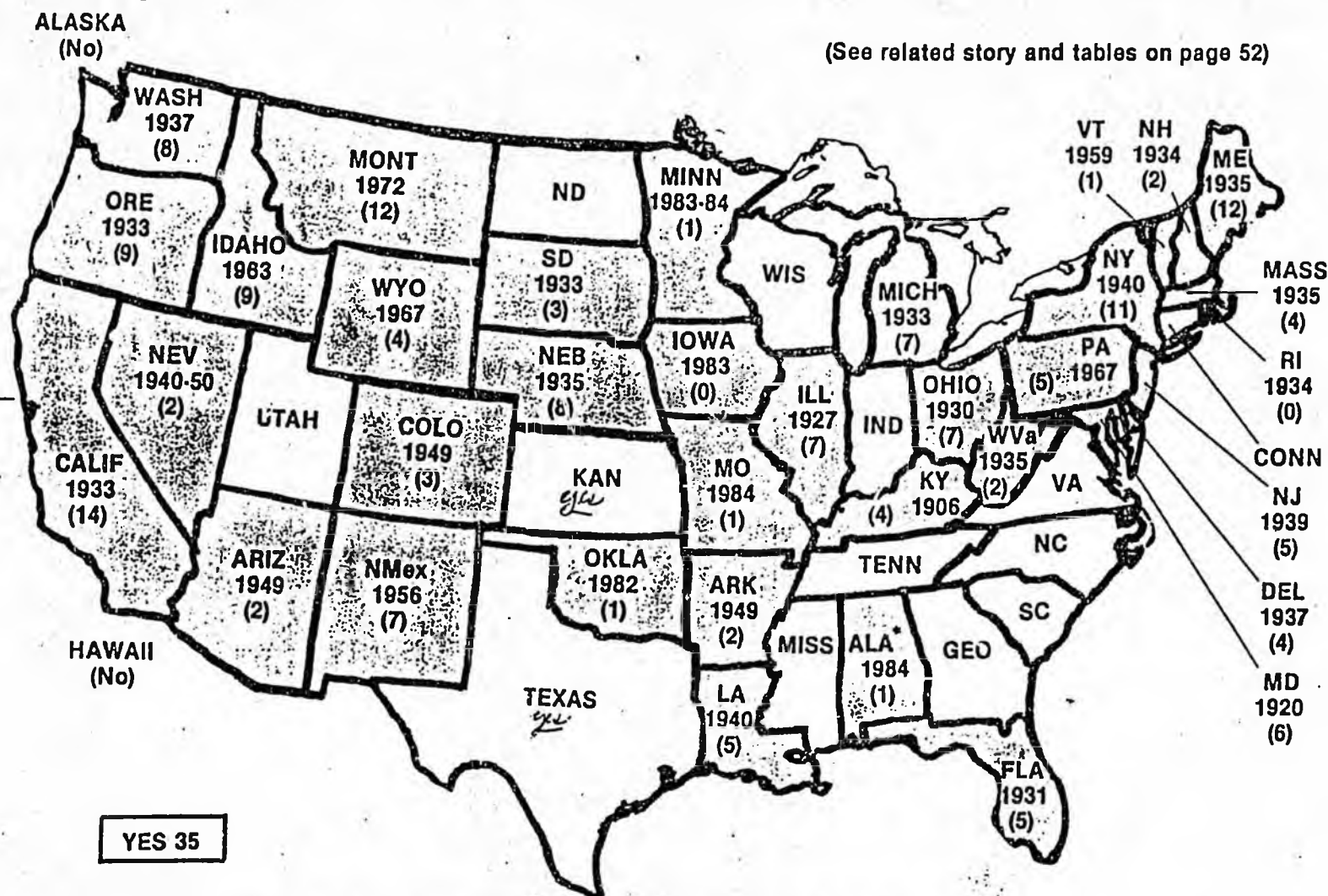
The next racing date will be Saturday and Sunday at 2 p.m. on July 6 and 7. Race horse owners may practice at the Alaska State Fair. In race track one mile from Palmer on Tuesday and Thursday evenings, 7:30-9:30 p.m. and Sunday afternoon from 2-4 p.m. (except on racing days). Ed Premus will be the gate keeper while Vernon France is on vacation.

Performance horse racing

Parimutuel wagering: A look at where it's at

racing

(See related story and tables on page 52)



YES 35

NO 15

() number of licensed parimutuel horse tracks including fairs

OPENING MARCH 1, 1989 IN ALTOONA Iowa's First Horse Racetrack



FIRST RACE DATE: March 1, 1989, the racetrack is scheduled to open.

ARCHITECTURAL STYLE: Exterior will have the flavor of an old English lodge or club.

THE GRANDSTAND WILL FEATURE:

- Three public levels: grandstand seating 2,520; clubhouse level 2,000; including dinner seating for 774. Several additional lounge areas.
- Closed circuit TV system, 180 screens to watch the races.
- Dining facilities and grandstand seating overlook the track; lounges have a view of the track or paddock area. Concessions at convenient locations at different levels.
- Outdoor bleachers at track level.

TOTAL PROJECT COST: \$51 million project for land, equipment and construction.

TOURISM: Tourism related to the track will generate \$5 1/2 million in business. This will include transportation, lodging, restaurants, and retail sales.

COSTS, BUSINESS AND JOBS;

- Total jobs estimated once the track is operational - 1,457.
- Activity of horse breeders, trainers, and boarding, raise total business activity to \$46 million a year - with turnover estimated at \$92 million.
- During construction at times 300 to 500 people will be working at the site; payroll will run \$2 1/2 million a month.

TRACK SURFACE: Dirt Track.

TYPES OF RACING TO BE CONDUCTED

AT THE TRACK: Thoroughbred, Quarter Horse, and Standardbreds will be raced.

HORSE BOARDING AND BREEDING:

More than 1,000 horses will board and be trained at the track during the racing season. This activity, plus horse breeding produces about 1,000 jobs and \$29 million in payments.

PROJECTED FIRST SEASON:

March 1, 1989, to November 15, 1989.



**IOWA STATE
RACING COMMISSION**



Lucas State Office Building
Des Moines, Iowa 50319 515/281-7352

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act establishing the Alaska
Racing Commission . . ."
Sponsor: Representative Larson
Requestor: House Labor & Commerce

Agency Affected: Department of Law
BRU: Legal Services
Components: Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	75.0	-0-	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	75.0	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	75.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Please see the attached analysis.

Richard I. Pegues

Prepared by: Richard I. Pegues, Director Phone: 465-3672
Division: Administrative Services,) Date: January 18, 1989

Richard I. Pegues

Approved by Commissioner: Grace Berg Schaeble, Atty General Date: January 18, 1989
Agency: Department of Law

Distribution (by preparer):

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

CONTINUATION of FISCAL NOTE ANALYSIS

No. 2
CSHB 29 (L&C)
HOUSE 2/3/89

This bill amends AS 05 by establishing the Alaska Racing Commission and by authorizing parimutuel wagering at sanctioned horse race events. The bill provides that the commission, and its staff, would be responsible for regulating all sanctioned events under a comprehensive regulatory scheme that covers nearly every aspect of race operations and wagering. It is our view that a substantial body of regulations will need to be drafted and adopted to carry out the purposes of this bill. We are therefore requesting \$75,000, as a one-time expense, to handle the drafting effort. We believe that this is the minimum amount necessary to insure proper regulatory oversight, if this form of legalized wagering is authorized in the state.

Unfortunately, we cannot predict future legal costs that may occur once sanctioned racing is established, because of our total lack of experience in this area. It is conceivable, however, that if racing becomes well established that at least one civil attorney and one criminal attorney, plus support costs, could be required on a continuing basis due to racing activity. Because of the severe budget constraints that have already been felt by the department, and because of further budget reductions that may take place in FY 90, it will be necessary to request additional funds when and if racing activities so warrant.

HB 29, is an Act establishing the Alaska Racing Commission and Authorizing parimutuel wagering at sanctioned events and providing for an effective date.

HB 29 is basically the same as HB 32 which passed the House but was held in the Senate Finance Committee last year. The bill would establish the Alaska Racing Commission in the Department of Commerce and Economic Development. The Commission would consist of five members appointed by the Governor. It will adopt regulations concerning the issuance, renewal, suspension, and revocation of licenses and permits, the appointment of race officials, the distribution of the parimutuel pool, etcetera.

The Commission is not allowed to sanction race meets within municipalities unless a majority of the voters in the municipality have approved a referendum authorizing parimutuel wagering and provided for municipal licensing of race meets within the municipality.

There are three fiscal notes which accompany the bill:

1. Commerce and Economic Development, \$85.7
2. Law, \$75.0
3. Public Safety, 0

The bill would take effect July 1, 1990.

Available to answer questions: Jeff Bush - Commerce

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSHB 29 (L&C)
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: February 16, 1989 Agency Affected: Commerce & Econ. Dev.
Title: An Act establishing the Alaska Racing Commission and authorizing parimutuel wagering. BRU: Alaska Racing Commission
Sponsor: Representative Larson Components: _____
Requester: House Finance

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	43.6	91.8	141.4	141.4	141.4
TRAVEL	0	7.8	14.4	15.2	15.2	15.2
CONTRACTUAL	0	20.4	35.4	20.4	20.4	20.4
SUPPLIES	0	2.5	2.5	2.5	2.5	2.5
EQUIPMENT	0	11.4				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	85.7	144.1	179.5	179.5	179.5

CAPITAL						
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REVENUE	0	68.4	261.2	522.8	522.8	522.8
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FUNDING: (Thousands of dollars)

GENERAL FUND	0	85.7				
FEDERAL FUNDS						
OTHER	0		144.1*	179.5*	179.5*	179.5*
TOTAL	0	85.7	144.1*	179.5*	179.5*	179.5*

POSITIONS:

*Estimated General Fund Program Receipts

FULLTIME		2	2	2	2	2
PARTTIME		0	0	2	2	2
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

See attached for analysis.

Prepared by: Kathy Marshall, Director Phone: 465-2505
Division: Administrative Services Date: _____

Approved by Commissioner: Larry Mercurieff Phone: _____
Agency: Department of Commerce & Economic Development Date: 2/16/89

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