

SB

4

STATE OF ALASKA
1992 LEGISLATIVE SESSION

FISCAL NOTE

BILL NO CSSB 4(JUD)

Revision Date: 01/14/92 Department Affected: Commerce & Economic Development
 Title: An Act establishing the Alaska BRU: Occupational Licensing
Gaming Commission; and providing for an effective date. Component: Administration
 Sponsor: Senators Zharoff and Jones
 Requestor: Senator Zharoff COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	289.1	289.1	289.1	289.1	289.1	289.1
TRAVEL	30.0	30.0	30.0	30.0	30.0	30.0
CONTRACTUAL	25.0	25.0	25.0	25.0	25.0	25.0
SUPPLIES	5.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT	50.0	5.0	5.0	5.0	5.0	5.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	399.1	352.1	352.1	352.1	352.1	352.1

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	75.0	100.0	100.0	100.0	100.0	100.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	399.1	352.1	352.1	352.1	352.1	352.1
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	399.1	352.1	352.1	352.1	352.1	352.1

POSITIONS:

FULL-TIME	5.0	5.0	5.0	5.0	5.0	5.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

The CS has no change to operating Funding, Expenditures or Revenue.

Prepared By: John N. Hansen, Jr., Gaming Program Manager Phone: 465-2581
 Division: Occupational Licensing Date: 01/14/92
 Approved by Commissioner: Glenn A. Olds *Glenn A. Olds* Asst. Comm.
 Agency: Department of Commerce & Economic Development Date: 1-16-92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE ATTACHMENT - CSSB 4(JUD)

EXPENDITURES AND REVENUES

This program was transferred from the Department of Revenue to the Department of Commerce and Economic Development effective July 1, 1989 through Executive Order #74. The total number of employees that transferred with the program was five: one Auditor and one Investigator located in Anchorage, one Auditor, one Tax Examiner and one Clerk Typist located in Juneau. Since that time, the following new positions have been filled: a Gaming Program Manager located in Juneau, one Investigator located in Fairbanks, a Chief of Gaming Compliance located in Anchorage, and a Licensing Examiner located in Juneau.

The bill establishes a five-member Alaska Gaming Commission giving it the authority to license, regulate and enforce gaming statutes and regulations.

Charitable gaming activity in the state has rapidly grown beyond the capacity of the current staff, especially in the area of audits and investigations. Presently, the gaming program has only two investigators which is woefully inadequate given the number of permittees and the geographical size of the state. While the two auditors may conduct desk audits at their workstations and obtain documentation by way of correspondence, the number of audits that can be accomplished during the year is limited by the growing number of permittees, operators and distributors. We are, therefore, submitting a fiscal note requesting funding for an additional investigator and auditor. Also contained in the fiscal note is a request for funding of an Executive Director (based on our recommendation in the bill analysis), a Secretary to be utilized for Commission business and during their meeting(s), and a Records and Licensing Supervisor to oversee the licensing staff. We feel if this Commission is to effectively administer this program, they must be provided with the proper staff to do it. Without these positions, there is no reason to consider this legislation. You cannot accomplish the mandate of the law without being able to administer proper enforcement.

The \$399.1 required includes \$30.0 in travel to fund the cost of widespread travel to various communities and for Commission meetings quarterly, as well as \$50.0 to purchase the necessary workstations, computers and software. The required \$5.0 for equipment for FY 94 through FY 98 represents computer upgrades and programming. This is based on the assumption that charitable gaming will steadily increase as more and more charitable organizations search for other sources of revenue in light of other sources becoming less available.

With the additional auditor and investigator positions, we estimate that \$75.0 in additional revenue will be generated the first year. While the amount of funds generated is considerably less than projected costs, other gaming revenue sources will more than compensate for the difference. Additionally, with the amount of travel that will be required to effectively administer this program, the auditors and investigators can also use the opportunity to educate the licensees and strive towards voluntary compliance. During FY 91, the Gaming program generated \$1.6 million in revenue.

FISCAL NOTE ATTACHMENT - CSSB 4(JUD)

OPERATING EXPENDITURES

	<u>Position</u>	<u>Range</u>	<u>Cost</u>	<u>Subtotal</u>
<u>Personal Services:</u>				
	Executive Director	26	\$90.1	
	Investigator III	18	\$56.4	
	Auditor III	18	\$56.4	
	Records and Licensing Supervisor	16	\$50.0	
	Secretary I	10	\$36.2	
				\$289.1
<u>Travel:</u>				
	Five-Commission Members Executive Director		\$15.0	
	Investigator		\$ 5.0	
	Auditor III		\$ 5.0	
				\$ 30.0
<u>Contractual:</u>				
	Lease Space			\$ 20.0
	Public Notices, Printing and Postage			\$ 5.0
<u>Supplies:</u>				
	Executive Director		\$ 1.0	
	Investigator III		\$ 1.0	
	Auditor III		\$ 1.0	
	Licensing Supervisor		\$ 1.0	
	Secretary I		\$ 1.0	
				\$ 5.0
<u>Equipment:</u>				
	Executive Director		\$10.0	
	Investigator III		\$10.0	
	Auditor III		\$10.0	
	Licensing Supervisor		\$10.0	
	Secretary I		\$10.0	
				\$ 50.0
				TOTAL COST
				\$399.1

Travel for the commissioners is based on the assumption that they will meet on a quarterly basis.

Equipment represents the cost for a workstation and computer.

Lease Space is for locating the Gaming staff into their own office space. Currently located in Occupational Licensing on the 9th floor of the State Office Bldg., in 450 sq. ft., this is space inadequate for current needs and, with the increase demand with the commission, new space is a requirement.

Position Title Executive Director		No. of Positions 1	Range / Step 26A	Barg. Unit XE
Time Status PFT	Staff Months 12	Location AWA		Election District
TYPE OF EXPENDITURE		Amount		
Salary		67.8		
Benefits		22.3		
Premium Pay				
Other				
Total Personal Services		90.1		
Travel		5.0		
Contractual				
Commodities		1.0		
Equipment		10.0		
Other				
Total Cost		106.1		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	106.1		
IA Receipts	1037			
CIP Receipts	1061			
Other				
Justification DUTIES: To implement the policies and procedures of the Alaska Gaming Commission. IMPACT TO DIVISION/PROGRAM IF POSITION IS NOT FILLED: The policies and procedures of the Alaska Gaming Commission will not be readily implemented.				

**Request For
New Position**

AGENCY Commerce and Economic Development
BRU Occupational Licensing
COMPONENT Administration

FY 93

Page 4 of 8

Revised Date: _____

Position Title Records and Licensing Supervisor		No. of Positions 1	Range / Step 16A	Barg. Unit SU
Time Status PFT	Staff Months 12	Location AWA		Election District
TYPE OF EXPENDITURE		Amount		
Salary		35.5		
Benefits		14.5		
Premium Pay				
Other				
Total Personal Services		50.0		
Travel				
Contractual				
Commodities		1.0		
Equipment		10.0		
Other				
Total Cost		61.0		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	61.0		
IA Receipts	1007			
CIP Receipts	1061			
Other				

Justification

DUTIES:

- Supervise and monitor the licensing of permittees, operators and distributors.
- Direct and guide procedures for actual issuance of permits and licenses and computer entry of same. Responsible for the overall recording and establishment of the licensing record and maintenance of these records.
- Provide information to the public and organizations regarding application of statutes, regulations and policies.
- Responsible for form control and review of public handouts and applications to ensure proper format and content.

IMPACT TO DIVISION/PROGRAM IF POSITION IS NOT FILLED:

Responsibility for the day-to-day operations will be shouldered by either the Gaming Program Manager or the Executive Director.

**Request For
New Position**

AGENCY Commerce and Economic Development

BRU Occupational Licensing

COMPONENT Administration

FY 93

Page 7 of 8

Revised Date: _____

FISCAL NOTE

No. 1

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Bill Version: SB 4

(S) Publish Date: 4/17/91

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act establishing the Alaska BRU: Occupational Licensing
Gaming Commission Component: Administration
 Sponsor: Senator Zharoff
 Requestor: Senator Zharoff

COMPONENT SERIAL NO.

	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	289.1	289.1	289.1	289.1	289.1	289.1
TRAVEL	30.0	30.0	30.0	30.0	30.0	30.0
CONTRACTUAL	25.0	25.0	25.0	25.0	25.0	25.0
SUPPLIES	5.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT	50.0	5.0	5.0	5.0	5.0	5.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	399.1	352.1	352.1	352.1	352.1	352.1

CAPITAL						
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REVENUE	75.0	100.0	100.0	100.0	100.0	100.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND *	399.1	352.1	352.1	352.1	352.1	352.1
FEDERAL FUNDS						
OTHER						
TOTAL	399.1	352.1	352.1	352.1	352.1	352.1

*Funding source is General Fund in bill as proposed.

POSITIONS:

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

Changes in CS SB 4 (4c) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.

3-16-91 RMH
date Comte Aide (initial)

Estimate of current year impact: -0-

ANALYSIS: (Attach a separate page if necessary.)

The CS has no change to operating Funding, Expenditures or Revenue.

Prepared By: John N. Hansen, Jr., Gaming Program Manager Phone: 465-2581
 Division: Occupational Licensing

Approved by Commissioner: Glenn A. Olds Date: _____
 Agency: Department of Commerce & Economic Development Date: 4-11-91

Distribution (by preparer): Legislative) Changes in CS SB 4 (sub) have no fiscal impact. This fiscal note is appropriate. VB, & Impacted Agency(ies).

FISCAL NOTE ATTACHMENT - SB 4

EXPENDITURES AND REVENUES

This program was transferred from the Department of Revenue to the Department of Commerce and Economic Development effective July 1, 1989 through Executive Order #74. The total number of employees that transferred with the program was five: one Auditor and one Investigator located in Anchorage, one Auditor, one Tax Examiner and one Clerk Typist located in Juneau. Since that time, the following new positions have been filled: a Gaming Program Manager located in Juneau, one Investigator located in Fairbanks, a Chief of Gaming Compliance located in Anchorage, and a Licensing Examiner located in Juneau.

The bill establishes a five-member Alaska Gaming Commission giving it the authority to license, regulate and enforce gaming statutes and regulations.

Charitable gaming activity in the state has rapidly grown beyond the capacity of the current staff, especially in the area of audits and investigations. Presently, the gaming program has only two investigators which is woefully inadequate given the number of permittees and the geographical size of the state. While the two auditors may conduct desk audits at their workstations and obtain documentation by way of correspondence, the number of audits that can be accomplished during the year is limited by the growing number of permittees, operators and distributors. We are, therefore, submitting a fiscal note requesting funding for an additional investigator and auditor. Also contained in the fiscal note is a request for funding of an Executive Director (based on our recommendation in the bill analysis), a Secretary to be utilized for Commission business and during their meeting(s), and a Records and Licensing Supervisor to oversee the licensing staff. We feel if this Commission is to effectively administer this program, they must be provided with the proper staff to do it. Without these positions, there is no reason to consider this legislation. You cannot accomplish the mandate of the law without being able to administer proper enforcement.

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With the additional auditor and investigator positions, we estimate that \$75.0 in additional revenue will be generated the first year. While the amount of funds generated is considerably less than projected costs, other gaming revenue sources will more than compensate for the difference. Additionally, with the amount of travel that will be required to effectively administer this program, the auditors and investigators can also use the opportunity to educate the licensees and strive towards voluntary compliance. During FY 91, the Gaming program generated \$1.6 million in revenue.

**FISCAL NOTE ATTACHMENT
SB 4**

OPERATING EXPENDITURES

	<u>Position</u>	<u>Range</u>	<u>Cost</u>	<u>Subtotal</u>
<u>Personal Services:</u>				
	Executive Director	26	\$90.1	
	Investigator III	18	\$56.4	
	Auditor III	18	\$56.4	
	Records and Licensing	16	\$50.0	
	Supervisor			
	Secretary I	10	\$36.2	
				\$289.1
<u>Travel:</u>				
	Five-Commission Members		\$15.0	
	Executive Director		\$ 5.0	
	Investigator		\$ 5.0	
	Auditor III		\$ 5.0	
				\$ 30.0
<u>Contractual:</u>				
	Lease Space			\$ 20.0
	Public Notices, Printing and Postage			\$ 5.0
<u>Supplies:</u>				
	Executive Director		\$ 1.0	
	Investigator III		\$ 1.0	
	Auditor III		\$ 1.0	
	Licensing Supervisor		\$ 1.0	
	Secretary		\$ 1.0	
				\$ 5.0
<u>Equipment:</u>				
	Executive Director		\$10.0	
	Investigator III		\$10.0	
	Auditor III		\$10.0	
	Licensing Supervisor		\$10.0	
	Secretary I		\$10.0	
				\$ 50.0
	TOTAL COST			\$399.1

Travel for the commissioners is based on the assumption that they will meet on a quarterly basis.

Equipment represents the cost for a workstation and computer.

Lease Space is for locating the Gaming staff into their own office space. Currently located in Occupational Licensing on the 9th floor of the State Office in 450 sq. ft., this space is inadequate for current needs and, with the increase demand with the commission, new space is a requirement.

REQUEST FOR NEW HIRE

POSITION TITLE: Executive Director
RANGE/STEP: 26a
SERVICE: Partially Exempt
TYPE OF POSITION: PFT
STAFF MONTHS: 12 Months

TYPE OF EXPENDITURE:

PERSONAL SERVICES:

Salary: \$67.8
Benefits \$22.3

Total Personal Services: \$ 90.1

TRAVEL: \$ 5.0
COMMODITIES:* \$ 1.0
EQUIPMENT: \$10.0

Total Cost \$106.1

FUNDING SOURCE:

Funding source is general fund \$106.1

POSITION DUTIES:

- o Implement the policies and procedures of the Alaska Gaming Commission.

IMPACT TO DIVISION/PROGRAM IF POSITION IS NOT FILLED:

The policies and procedures of the Alaska Gaming Commission will not be readily implemented.

REQUEST FOR NEW HIRE

POSITION TITLE: Investigator III
RANGE/STEP: 18a
SERVICE: Classified
TYPE OF POSITION: PFT
STAFF MONTHS: 12 Months

TYPE OF EXPENDITURE:

PERSONAL SERVICES:

Salary: \$40.5
Benefits \$15.9

Total Personal Services: \$56.4

TRAVEL: \$ 5.0
COMMODITIES: \$ 1.0
EQUIPMENT: \$10.0

Total Cost \$72.4

FUNDING SOURCE:

Funding source is general fund \$72.4

POSITION DUTIES:

- o Conduct investigations of permit or license violations and complaints.
- o Conduct inspections of premises, observe gaming activity to ensure compliance with statutes and regulations.
- o Issue Notices of Violations when appropriate and necessary.
- o Educate the participants with regard to statutes and regulations.
- o Assist the participants by providing the correct forms, and answering inquiries.
- o Occasionally assist the auditor(s) in gathering information/documentation.

IMPACT TO DIVISION/PROGRAM IF POSITION IS NOT FILLED:

Because of the numerous number of permittees and licensees, the expanse of the state, and the limited funding for travel purposes, many complaints and/or allegations could not be investigated.

REQUEST FOR NEW HIRE

POSITION TITLE: Auditor III
RANGE/STEP: 18a
SERVICE: Classified
TYPE OF POSITION: PFT
STAFF MONTHS: 12 Months

TYPE OF EXPENDITURE:

PERSONAL SERVICES:

Salary: \$40.5
Benefits \$15.9

Total Personal Services: \$56.4

TRAVEL: \$ 5.0
COMMODITIES: \$ 1.0
EQUIPMENT: \$10.0

Total Cost \$72.4

FUNDING SOURCE:

Funding source is general fund \$72.4

POSITION DUTIES:

- o Plan, organize and complete audits of permittees, operators and distributors.
- o Provide technical assistance to permittees, operators and distributors.
- o Provide information to inquiring persons regarding statutes and regulations.
- o Assist the investigator(s) when necessary.

IMPACT TO DIVISION/PROGRAM IF POSITION IS NOT FILLED:

Because of the numerous number of permittees and licensees, the expanse of the state, and the limited funding for travel purposes, many audits could not be done.

REQUEST FOR NEW HIRE

POSITION TITLE: Records and Licensing Supervisor
RANGE/STEP: 16a
SERVICE: Classified
TYPE OF POSITION: PFT
STAFF MONTHS: 12 Months

TYPE OF EXPENDITURE:

PERSONAL SERVICES:

Salary: \$35.5
Benefits \$14.5

Total Personal Services: \$50.0

COMMODITIES: \$ 1.0
EQUIPMENT: \$10.0

Total Cost \$61.0

FUNDING SOURCE:

Funding source is general fund \$61.0

POSITION DUTIES:

- o Supervise and monitor the licensing of permittees, operators and distributors.
- o Direct and guide procedures for actual issuance of permits and licenses and computer entry of same. Responsible for the overall recording and establishment of the licensing record and maintenance of these records.
- o Provide information to the public and organizations regarding application of statutes, regulations and policies.
- o Responsible for form control and review of public handouts and applications to ensure proper format and content.

IMPACT TO DIVISION/PROGRAM IF POSITION IS NOT FILLED:

Responsibility for the day-to-day operations will be shouldered by either the Gaming Program Manager or the Executive Director.

REQUEST FOR NEW HIRE

POSITION TITLE: Secretary I
RANGE/STEP: 10b
SERVICE: Classified
TYPE OF POSITION: PFT
STAFF MONTHS: 12 Months

TYPE OF EXPENDITURE:

PERSONAL SERVICES:

Salary: \$24.6
Benefits \$11.6

Total Personal Services: \$36.2

COMMODITIES: \$ 1.0
EQUIPMENT: \$10.0

Total Cost \$47.2

FUNDING SOURCE:

Funding source is general fund \$47.2

POSITION DUTIES:

- o Open and process incoming applications, financial statements and correspondence.
- o Responsible for maintaining records/files for the Executive Director and Commission members.
- o Responsible for arrangement of transportation and accommodations of the entire staff. Make arrangements for meetings and notify the participants.
- o Responsible for transcribing minutes of meetings and distributing the written records to the appropriate parties.

IMPACT TO DIVISION/PROGRAM IF POSITION IS NOT FILLED:

These duties would have to be fulfilled by a current staff member. The current staff is already overburdened, and the quality and quantity of work would decline.

SECTIONAL ANALYSIS - Sen. Zharoff
CSSB 4 (JUD)-ESTABLISHING THE ALASKA GAMING COMMISSION

SECTION 1: Establishes the Alaska Gaming Commission in AS 05.15 (Games of Chance & Contests of Skill). The commission would consist of 5 members appointed by the governor who must be state residents and must never have been convicted of a felony or an offense relating to gambling. One member shall be from each of the four Judicial Districts and one member shall be from anywhere in the state. Members of the Commission may not be operators, distributors or elected officials of the state or political subdivisions. Commission members would serve 4 year staggered terms, may not serve more than 8 years, and may be removed from office by the governor for cause including negligence of duty; incompetence; or misconduct in office. Members would be entitled to per diem and travel expenses. This section also delineates that the commission shall license, regulate and supervise games of chance & contest of skill under AS 05.15; hire an executive director and staff as necessary; meet at least every three months; and adopt regulations necessary to implement AS 05.15. This section also allows the commission to appoint hearing officers and clarifies that the executive director is partially exempt and the other employees are classified. In addition, the bill also states that the Attorney General shall enforce the regulations of the commission; that records of the commission are public except for records relating to audits and investigations of the commission; that all proceeds of the commission go into the general fund; that the commission is subject to the Administrative Procedures Act; and that the commission is subject to the conflict of interest statutes.

SECTION 2: AS 05.15.010 currently states that the Dept. of Commerce & Economic Development shall administer AS 05.15. Section 2 of this bill replaces that language and states that the Alaska Gaming Commission would administer this chapter.

SECTION 3: Adds a new subsection prohibiting the commission from issuing a permit or lisenche for gaming to anyone who has been a member of the Commission within the last year.

SECTION 4: Adds a new section prohibiting a person who has been a member of the Commission within the last year from being a member in charge.

SECTION 5: Removes the Commissioner of DC&ED from the definitions section of AS 05.15 and replaces it with "commission" since, under this bill, the Alaska Gaming Commission rather than the Department of Commerce & Economic Development would be administering gaming.

SECTION 6: Makes a change to the definition of gambling in the criminal law statutes by removing the reference to the Department of Commerce & Economic Development since gaming activity would be administered by the Commission.

SECTION 7: States that the Department of Public Safety shall determine whether a person appointed by the governor to serve on the commission has been convicted of a felony or a gambling offense.

SECTION 8: Adds a new subsection to include the executive director of the Alaska Gaming Commission to the list of partially exempt employees.

SECTION 9: Adds a new subsection to include the Alaska Gaming Commission under the Conflict of Interest Statutes.

SECTION 10: Adds a new subsection to include the Alaska Gaming Commission with the entities that must comply with the Administrative Procedures Act.

SECTION 11: Adds a sunset date of June 30, 1995.

SECTION 12: Removes the definition of the "department" under AS 05.15 as it would no longer apply if the commission is established and removes the regulation of games of chance & contest of skill from the duties of the Department of Commerce & Economic Development since these would become duties of the commission.

SECTION 13: Requires the governor to make the appointments to the commission within 120 days after the effective date of this bill and requires that the governor set the terms of the initial members as follows: 2 members for 4 years; 1 member for 3 years; 1 member for 2 years; and 1 member for 1 year.

SECTION 14: States that any regulations in place pertaining to games of chance or contests of skill prior to July 1, 1991 and regulations on these matters in effect on the effective date of this bill remain in effect until the commission adopts new regulations. In addition, DC&ED will administer AS 05.15 from the effective date of this bill until the members of the commission are appointed.

SECTION 15: Allows the revisor of statutes and the assistant attorney general assigned to review regulations the latitude to clean up statute and regulation with regard to the administration of AS 05.15 and references to the "department" or "commissioner" should be read as referring to the Alaska Gaming Commission.

SECTION 16: Gives this legislation an effective date of July 1, 1991.

BILL'S distributing of alaska

RECEIVED MAR 11 1991

March 7, 1991

Senator Fred Zharoff
Alaska State Senate
P.O. Box V
Juneau, Ak 99811

Dear Senator Zharoff

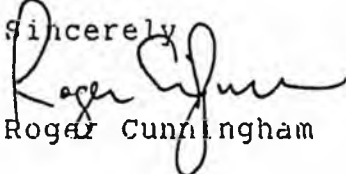
I was pleased to learn that SB-4, for an Alaska Gaming Commission is to be considered again this session.

As you probably have heard, several members of the public spoke in favor of a gaming commission at hearings on HB168 by Rep. Choquette. As well as citizen support, Rep. Robin Taylor supported it, along with John Hansen, Gaming Program Manager, DCED.

Charitable Gaming has grown to the place where a full commission is needed to oversee it. The amount of money changing hands daily dictates that a group of dedicated individuals give gaming their undivided attention.

I support your bill and would offer any help you may need in the way of supporting material or information to insure its passage this session. I would envision the commission structured along the same lines as the Alcoholic Beverage Control Board which includes respected industry representatives.

Please call if I can provide any further input to insure passage of SB-4.

Sincerely

Roger Cunningham

cc: Rep Robin Taylor

Anchorage Amateur Radio Club, Inc.
Gaming Committee
1910 Rosemary Street
Anchorage, Alaska 99508

21 December 1990

Senator Fred Zharoff
112 Mill Bay Road
Kodiak, Alaska 99611

Dear Senator Zharoff,

Our Club is deeply concerned about the proposed regulations from the Department of Commerce and Economic Development concerning pull tabs.

12 AAC 34.700 would have a serious impact on our income from gaming. We have been doing business with an independent operator for several years. We believe Mr. Pete Kramer has served us well. We have found no discrepancy in his accounting procedures or business ethics. We have received our fair share of the funds in a timely and business like manner. We do not have the facilities or personnel to conduct these activities, and oversee their operation as Mr. Kramer has done. As an independent business man, he is certainly entitled to receive a fair profit as compensation for his immense investment of time and personal assets. He has also complied with the State's stringent bonding requirements.

In closing, We are completely pleased with the present and past operation. We feel that the proposed regulations are unnecessarily restrictive and primarily designed to drive the Operator out of the picture. This should not be ! If such is to happen, our Club would not be able to continue it's philanthropic activities. We must urge you to use your power and authority to bring about a revision to these regulations which will be mutually beneficial to all concerned.

Respectfully,



Fred S. Wegmer
Treasurer (Gaming)