

HB 16

SENATE FINANCE COMMITTEE REPORT

DATE: 5/1/92

FURTHER:

DATE TURNED INTO OFFICE: 5/11/92

The Finance Committee considered CS FOR HOUSE BILL NO. 16 (JUDICIARY)

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

and recommends:

replace with SCS CS HB 16 (FINANCE)
or adopt previous CS _____
 attaches amendment(s)

same title
 new title
 technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes DO LAW SFC 5-11-92

fiscal notes DCED 97.6 5-11-92

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes DPS 4/28/92

fiscal notes _____

DO PASS:

Dirk Stultz Do Pass before race season

1. Paul Rusk
Co-Chair: Signature/Recommendation

OTHER RECOMMENDATIONS:

Al Sedberry DO NOT PASS

Ann Hoffman No Rec

John Kelly DO NOT

2. Vest NO Rec
Co-Chair: Signature/Recommendation

FISCAL NOTE

REQUEST:

Revision Date: _____ Affected Agency: Dept. of Law
 Title: An Act establishing the BRU: Legal Services
Alaska Racing Commission
 Sponsor: Rep. Larson Components: Operations
 Requestor: Senate Finance 93

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
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FUNDING: (THOUSANDS OF DOLLARS)

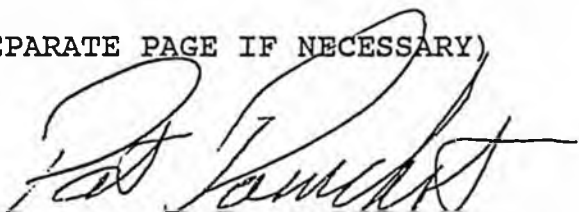
General Fund						
Federal Fund						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared By:


 Senator Pat Pourchot, Co-chairman
 Senate Finance Committee

Date: 5-11-92

Phone: 465-3879

DISTRIBUTION (BY PREPARER)
 LEGISLATIVE FINANCE
 LEGISLATIVE SPONSOR

REQUESTOR
 OFFICE OF MANAGEMENT AND BUDGET
 AGENCY (IES)

STATE OF ALASKA
1992 LEGISLATIVE SESSION

FIS NOTE
REPORTED OUT OF
SFC 5-11-92

BILL NO. SCS CSHB 16(L&C)

Revision Date: 05/11/92 Department Affected: Commerce & Economic Development
 Title: An Act establishing the Alaska Racing BRU: Occupational Licensing
Commission and authorizing parimutuel wagering.... Component: Administration
 Sponsor: House Labor & Commerce
 Requestor: Senate Labor & Commerce COMPONENT SERIAL NO.

0	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	52.8	105.7	162.5	162.5	162.5	162.5
TRAVEL	10.3	12.1	13.5	13.5	13.5	13.5
CONTRACTUAL	20.4	40.8	25.8	25.8	25.8	25.8
SUPPLIES	2.5	2.5	2.5	2.5	2.5	2.5
EQUIPMENT	11.6	0.0	0.0	0.0	0.0	0.0
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	97.6	161.1	204.3	204.3	204.3	204.3

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	68.4	261.4	522.8	522.8	522.8	522.8
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FUNDING: (Thousands of Dollars)

GENERAL FUND	97.6	161.1	204.3	204.3	204.3	204.3
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	97.6	161.1	204.3	204.3	204.3	204.3

POSITIONS:

FULL-TIME	0.0	2.0	2.0	2.0	2.0	2.0
PART-TIME	2.0	2.0	2.0	2.0	2.0	2.0
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)
SEE ATTACHED FOR ANALYSIS

Prepared By: John N. Hansen, Jr., Gaming Program Manager Phone: 465-2581
 Division: Occupational Licensing Date: 05/11/92
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: 5/11/92

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

FISCAL NOTE ANALYSIS - SCS CSHB 16(L&C)

FY 93 EXPENDITURE DETAIL

PERSONAL SERVICES

Executive Director, PX, Range 22A, 6 months	\$ 36,360.00
Clerk Typist III, PX, Range 8A, 6 months	<u>\$ 16,479.51</u>
SUB-TOTAL:	\$ 52,839.51

TRAVEL

FY 93: 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 (115 x 3 x 3)	0.00	2,070.00
1 Juneau to Anchorage (436 x 3)	1,308.00	1,035.00
1 Fairbanks to Anchorage (300 x 3)	900.00	690.00
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)	\$ 1,200.00	\$ 1,000.00
1 Site inspection (2 Anch. mbrs)	0.00	230.00
1 Event (8 days; 2 Anch. mbrs)	<u>1,840.00</u>	<u>1,840.00</u>
SUB-TOTAL:		\$10,273.00

CONTRACTUAL

Postage, Communications, Printing, Advertising
and other operating costs. \$ 15,000.00

Office Space rent 5,400.00

SUB-TOTAL: \$ 20,400.00

SUPPLIES \$ 2,500.00

EQUIPMENT (one-time costs only)

Desk, double pedestal, 70" x 36"	\$ 837.00	
Chair, swivel with arms	400.00	
Typewriter, IBM Selectric III	700.00	
Chair, side without arms	420.00	
Desk Calculator	220.00	
File Cabinet, 5-drawer, legal w/lock	553.00	
Table, 72" x 36"	324.82	
Wang Terminal	<u>2,350.00</u>	
	\$5,804.82 x 2	\$ 11,609.64

FY 93 TOTAL GENERAL FUND EXPENDITURES \$ 97,622.15

FY 93 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 93 ESTIMATED REVENUE TOTAL: \$ 68,400.00

FY 94 EXPENDITURE DETAIL

PERSONAL SERVICES

Executive Director, PX, Range 22A, 12 months	\$ 72,721.53
Clerk Typist III, PX, Range 8A, 12 months	<u>32,959.03</u>
SUB-TOTAL:	\$105,680.56

TRAVEL

Four Commission meetings in Anchorage	\$ 8,004.00
2 - Site inspections (two Anchorage mbrs)	460.00
2 - Events (8 days; 2 Anch. area Commissioners @ \$1840ea.)	<u>3,680.00</u>
SUB-TOTAL:	\$ 12,144.00

CONTRACTUAL

Postage, Communications, Printing, Advertising and other operating costs	\$ 15,000.00
Office Space rent	\$ 10,800.00
Contractual costs to provide services of an Auditor and Investigator	<u>\$ 15,000.00</u>
SUB-TOTAL:	\$ 40,800.00

SUPPLIES \$ 2,500.00

FY 94 TOTAL GENERAL FUND EXPENDITURES \$161,124.56

FY 94 REVENUE DETAIL:

-- Two (2) six day events:

34,400 players per event (estimate based on 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 a State share of 10%, equals generated State Revenues of \$96.3 per event, or \$192.6 for the two events

-- \$1.00 per person gate fee for the two events equals \$68.8 in revenue (\$1.00 times 68,800 people equals \$68.8)

-- Various permit 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 94 ESTIMATED REVENUE TOTAL: \$261,400.00

FY 95 EXPENDITURE DETAIL

PERSONAL SERVICES

Executive Director, PX, Range 22A, 12 months	\$ 72,721.53
Clerk Typist III, PX, Range 8A, 12 months	32,959.03
Auditor, PX, Range 18A, 6 months	28,382.68
Investigator III, PX, Range 18A, 6 months	<u>28,382.68</u>

SUB-TOTAL: \$162,445.92

TRAVEL

Four Commission meetings in Anchorage	\$ 8,004.00
3 - Site inspections (by 3 members from Anchorage and one from Fairbanks) (2 Anch. P/D = 230 x 2 inspections = 460) (1 Anch. P/D = 115 + FBX Airfare = \$300 + 115 = 530)	990.00
4 - Events (8 days; by 3 members from Anchorage and one from Fairbanks) (2 Anch. mbrs.: \$115 x 8 x 2 = 1840) (1 Anch. mbr.: \$115 x 8 x 2 = 1840 + 1 Fbx. mbr.: \$300 + \$115 x 9 (extra day) x 2 = 2670)	<u>4,510.00</u>

SUB-TOTAL: \$ 13,504.00

CONTRACTUAL

Postage, Communications, Printing, Advertising and other operating costs.	\$ 15,000.00
Office Space rent	<u>10,800.00</u>

SUB-TOTAL: \$ 25,800.00

SUPPLIES \$ 2,500.00

FY 95 TOTAL GENERAL FUND EXPENDITURES \$204,249.92

FY 95 REVENUE DETAIL:

-- Four (4) six day events:

34,400 players per event (estimate)

Handle of \$963.2 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 \$96.3 per event, or \$385.2 for the four estimated events.

-- \$1.00 per person gate fee per event generates \$137.6 in revenue (\$1.00 times
34,400 times four events)

-- Various permit fees will 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 95 ESTIMATED REVENUE TOTAL:

\$522,800.00

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION
REPORTED OUT OF
SFC 5-11-92

No. 7

Bill Version: SCSCSHB 16 (R+C)

(S) Publish Date: 5-1-92

Revision Date: 4/28/92 Department Affected: Public Safety
 Title: "An Act establishing the Alaska Racing Commission" BRU: DPS Statewide Support
 Sponsor: Representative Larson Component: Administrative Services (R&I)
 Requestor: Senate L&C COMPONENT SERIAL NO.

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

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
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-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.) CSHB 16(JUD) requires the Department of Public Safety to conduct criminal history records checks of members and employees of the Racing Commission and of license applicants and their employees. As there is a fee for this service, and the DPS budget contains authority to receive and expend these fees, there will be no additional cost to the Department of Public Safety.

Prepared By: Gayle A. Horatski Phone: 465-4322
 Division: Commissioner's Office Date: 4/28/92
 Approved by Commissioner: Richard L. Burton
 Agency: Department of Public Safety Changes in SCS CSHB 16 (FIN) : 4/28/92

SENATE CS FOR CS FOR HOUSE BILL NO. 16 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVES LARSON, Zawacki

A BILL**FOR AN ACT ENTITLED**

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

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

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

5 CHAPTER 45. HORSE RACING.

6 ARTICLE 1. ALASKA RACING COMMISSION.

7 Sec. 05.45.010. ALASKA RACING COMMISSION. (a) The Alaska Racing
8 Commission is established in the Department of Commerce and Economic Development. The
9 commission is composed of five members appointed by the governor and confirmed by a
10 majority of the legislature meeting in joint session. One member shall have experience in the
11 regulation, supervision, or conduct of parimutuel wagering or horse racing; one member shall
12 have experience in law enforcement; one member shall have experience in bookkeeping or ac-
13 counting; two members shall be public members.

14 (b) At the time of appointment, the governor shall indicate which position described in

1 (a) of this section the appointee is filling.

2 (c) Each member of the commission shall at the time of the member's appointment have
3 been a resident of the state for at least two years.

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

6 (1) a felony; or

7 (2) an offense defined in AS 05.45.950, AS 11.66.200 - 11.66.280, or a
8 comparable provision of municipal, state, or federal law.

9 (e) A person may not serve as a member of the commission until the investigation
10 required under AS 18.65.090 is completed.

11 (f) The commission shall elect a chair from its membership.

12 (g) Three members of the commission constitute a quorum for the transaction of business.

13 (h) The department shall request from the Department of Public Safety a criminal history
14 records check of

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

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

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

19 (4) an applicant for a license under AS 05.45.100 or a special permit under
20 AS 05.45.110.

21 Sec. 05.45.020. TERM OF OFFICE. Members of the commission serve staggered terms
22 of four years. A vacancy is filled by appointment for the unexpired term. A member of the
23 commission holds office until a successor is appointed and qualifies.

24 Sec. 05.45.030. SUSPENSION OF MEMBERS. The governor may immediately suspend
25 a member for a violation of law or for misconduct in office.

26 Sec. 05.45.040. COMPENSATION AND PER DIEM. Members of the commission do
27 not receive a salary for their service on the commission but are entitled to per diem and travel
28 expenses authorized by law for state boards and commissions under AS 39.20.180.

29 Sec. 05.45.050. DUTIES AND POWERS OF THE COMMISSION. (a) The commission
30 shall, in consultation with the attorney general,

31 (1) adopt regulations concerning

- 1 (A) the issuance, renewal, suspension, and revocation of licenses and
2 special permits;
- 3 (B) the immediate suspension of a license or special permit of a person
4 subject to this chapter during an investigation of a violation of this chapter or a regulation
5 adopted under this chapter;
- 6 (C) the appointment of race officials, including race meet observers, and
7 their duties;
- 8 (D) the distribution of the parimutuel pool among the race meet operator,
9 purse money, winning tickets, and the commission;
- 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 operators;
- 13 (H) auditing procedures; and
- 14 (I) other matters directly related to horse racing and parimutuel wagering;
- 15 (2) regulate and supervise all horse races;
- 16 (3) inspect and approve race tracks and race horses;
- 17 (4) establish racing dates and durations;
- 18 (5) sanction horse racing within municipalities at locations approved by the
19 commission;
- 20 (6) set all license and special permit fees;
- 21 (7) make an annual report to the commissioner of commerce and economic
22 development and the legislature of its administration of this chapter before February 15 of each
23 year;
- 24 (8) keep detailed records of all race meets and of all collections and
25 disbursements;
- 26 (9) supervise the making and distribution of parimutuel pools
- 27 (10) set requirements for the minimum liability insurance coverage that a race
28 meet operator must have;
- 29 (11) impose an admission surcharge for a race meet of \$1 without regard to
30 whether the race meet operator charges an admission fee.

31 (b) The commission may

1 (1) hire staff, and appoint persons as race meet observers, as needed to administer
2 this chapter, if the investigation required under AS 18.65.090 finds that the person has not been
3 convicted of a crime set out in AS 05.45.010(d);

4 (2) issue subpoenas to compel witnesses to appear before it;

5 (3) compel the production of documents showing the receipts and disbursements
6 of a race meet operator;

7 (4) appoint a hearing officer to conduct a hearing required by this chapter or by
8 a regulation adopted under it.

9 Sec. 05.45.060. EMPLOYEES OF THE COMMISSION. Employees of the commission
10 are in the partially exempt service under AS 39.25.120.

11 Sec. 05.45.070. REGULATIONS OF THE COMMISSION. The attorney general shall
12 enforce the regulations of the commission.

13 Sec. 05.45.080. RECORDS OF THE COMMISSION. All records of the commission are
14 public records and subject to public inspection.

15 Sec. 05.45.090. PROCEEDS. Fees and other money received by the commission shall
16 be paid into the general fund.

17 ARTICLE 2. RACE MEETS.

18 Sec. 05.45.100. RACE MEET OPERATOR'S LICENSE. (a) A person may not conduct
19 a race meet in the state without a race meet operator's license issued by the commission. A race
20 meet operator's license is valid for three years unless revoked or suspended by the commission
21 and is not transferable.

22 (b) The race meet operator has the exclusive right to operate or contract for the operation
23 of concessions at the site of the race meet.

24 (c) A race meet operator's license may not be issued until the investigation required
25 under AS 18.65.090 is completed. A person convicted of a crime set out in AS 05.45.010(d)
26 may not receive a race meet operator's license.

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

28 Sec. 05.45.110. SPECIAL PERMITS. (a) A person may not participate in a race meet
29 as an owner of an animal participating in the race meet, trainer, jockey, driver, attendant, groom,
30 stable person, veterinarian, employee of a race meet operator, concessionaire, or concession
31 employee without a special permit issued by the commission.

1 (b) A special permit is valid for one year unless revoked or suspended by the
2 commission. The commission may not issue a special permit under this section until the
3 investigation required under AS 18.65.090 is completed. A special permit may not be issued to
4 a person convicted of a crime set out in AS 05.45.010(d) or a member of the commission.

5 Sec. 05.45.120. LOCAL OPTION. The commission may not sanction a race meet within
6 a municipality unless the municipality

7 (1) by ordinance approved by the voters authorizes parimutuel wagering on horse
8 races and provides for municipal licensing of race meets within the municipality; and

9 (2) after a public hearing on the license, has approved issuance or renewal of the
10 municipal license for the race meet.

11 Sec. 05.45.130. DISTRIBUTION OF PARIMUTUEL POOL. (a) Except as provided
12 in (b) and (c) of this section, the parimutuel pool shall be distributed

13 (1) 65 percent to the holders of winning tickets;

14 (2) 15 percent to the race meet operator conducting the race meet;

15 (3) 10 percent as purse money; and

16 (4) 10 percent to the commission.

17 (b) The commission may by regulation adjust the distribution of the parimutuel pool as
18 necessary to promote efficient and successful race meets, except that the 10 percent that is
19 allocated to the commission under (a)(4) of this section may not be increased or decreased.

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

23 Sec. 05.45.140. REPORTS BY THE RACE MEET OPERATOR. (a) The race meet
24 operator shall report to the commission within 30 days after each race on the distribution of the
25 parimutuel pool.

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

28 Sec. 05.45.150. OBSERVATION OF RACE MEETS. (a) The commission may appoint
29 a member of the commission or other person to observe the conduct of race meets. An observer
30 shall be present at the site of each race meet on the day before, the day after, and during the race
31 meet.

1 (b) A person who is not a member of the commission or an employee of the commission
2 does not receive a salary but is entitled to per diem and travel expenses, for each day the person
3 is engaged in the actual performance of duties as a race meet observer.

4 ARTICLE 3. GENERAL PROVISIONS.

5 Sec. 05.45.900. ADMINISTRATIVE PROCEDURE ACT. The operations of the
6 commission are subject to AS 44.62 (Administrative Procedure Act).

7 Sec. 05.45.910. CONFLICT OF INTEREST ACT. The commission is subject to
8 AS 39.50 (conflict of interest).

9 Sec. 05.45.950. PROHIBITED ACTS AND PENALTIES. (a) It is a class A
10 misdemeanor to knowingly

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

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

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

18 (4) permit a person under the age of 21 to use the parimutuel system.

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

21 Sec. 05.45.990. DEFINITIONS. In this chapter,

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

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

26 (3) "harness race" means a race where the horses are harnessed to a sulky,
27 carriage, or similar vehicle and driven by a driver;

28 (4) "horse race" means either a race where the horses are mounted and ridden by
29 jockeys or a harness race;

30 (5) "parimutuel" means a form of wagering on the outcome of horse races in
31 which those who wager personally purchase tickets of various denominations on a horse and all

1 wagers for each race are pooled and held by the race meet operator for distribution; when the
2 outcome of the race has been decided, the race meet operator distributes the percentage of the
3 total wagers determined by the commission to holders of tickets on the winning horses;

4 (6) "parimutuel pool" means the total of all wagers on all horses in a particular
5 race to win, to place, or to show, the total of all wagers on two or more horses in a particular
6 race to finish in a particular order, or the total of all wagers on all horses to win in combination
7 two or more races;

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

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

12 (9) "special permit" means a permit issued by the commission to participants in
13 a race meet, other than the race meet operator, under AS 05.45.110.

14 * Sec. 2. AS 18.65.090 is amended by adding a new subsection to read:

15 (b) Upon receipt of the fingerprints of the applicant and payment of the fee authorized
16 in AS 44.41.025(b) and 44.41.040, the department shall perform a criminal history records check
17 of the persons listed in AS 05.45.010(h) and shall report the results of those records checks to
18 the Department of Commerce and Economic Development.

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

20 (23) employees of the Alaska Racing Commission.

21 * Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:

22 (54) Alaska Racing Commission (AS 05.45.010).

23 * Sec. 5. AS 44.62.330(a) is amended by adding a new paragraph to read:

24 (57) Alaska Racing Commission (AS 05.45.010).

25 * Sec. 6. INITIAL COMMISSION APPOINTMENTS. The governor shall make the initial
26 appointment of members of the Alaska Racing Commission within 120 days after the effective date of
27 this Act.

28 * Sec. 7. This Act takes effect July 1, 1992.

State of Alaska

Rep. Ronald Larson

CHAIRMAN

Sen. Jay Kerttula

VICE-CHAIRMAN

Sen. Dick Ellason

Sen. Al Adams

Sen. Jim Duncan

Sen. Curt Menard

Sen. Lyman Hoffman

Rep. Pat Carney

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WHILE IN SESSION

Room 502

State Capitol

Juneau, Alaska 99801-1182

(907) 465-3727

INTERIM ADDRESS

P.O. Box 53

Palmer, Alaska 99645

(907) 745-3826

Legislative Budget and Audit Committee

MEMORANDUM

TO: Senator Jalmar Kerttula, Co-chairman
Senate Finance Committee

Senator Pat Pourchot, Co-chairman
Senate Finance Committee

FROM: Representative Ronald L. Larson *R.L.*

DATE: May 7, 1992

SUBJECT: Suggested amendment to SCS for CSHB16 (Labor & Commerce)

*SPONSOR
AMENDMENT
Adopted
5-11-92*

As suggested within the position paper of the Department of Law, I would like to present the following amendment to SCS for CSHB16 (Labor & Commerce) for your consideration:

Page 2, line 1

delete "The governor may not move a member from one position to another without resubmitting the appointment to the legislature for confirmation."

Page 2, line 25 - page 3, line 5

delete all material

Thank you for your time and consideration.

FISCAL NOTE

STATE OF ALASKA
199: LEGISLATIVE SESSION

BILL NO. SCS CSHB 16 (L&C)

Revision Date: May 7, 1992
Title: "An Act establishing the Alaska Racing Commission..."
Sponsor: Representative Larson
Requestor: Representative Larson

Department Affected: Department of Law
BRU: Legal Services
Component: Operations

COMPONENT SERIAL

		9	3
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	100.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	100.0					

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

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	100.0					
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL						

POSITIONS:

FULL-TIME	-0-					
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Please see the attached analysis.

Richard I. Peques

Prepared by: Richard I. Peques, Director
Division: Administrative Services

Phone: 465-3672

Date: May 7, 1992

Approved by Commissioner: Charles E. Cole, Attorney General
Agency: Department of Law

Date: May 7, 1992

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SCS CSHB 16 (L&C)

The Senate Labor and Commerce Committee substitute for CSHB 16 would prohibit a member of the Racing Commission from participating or having an interest in a race meet, other than in the member's official capacity as a member of the Commission. Otherwise, the comments made in our analysis of April 21, 1992, remain unchanged. Our analysis is therefore repeated below.

First, Section 1 establishes the Alaska Racing Commission composed of five members appointed by the governor and confirmed by a majority of the legislature meeting in joint session. One member would be required to be experienced in the conduct of parimutuel wagering or horse racing; one member would be required to be experienced in law enforcement; one member would be required to be experienced in bookkeeping or accounting; and the two remaining members would be members of the public. The governor would be required to indicate which of the designated positions was being filled at the time of appointment. The bill would prohibit the governor from moving a member from one position to another without resubmitting the appointment to the legislature for confirmation. We believe that requiring that an appointment of a sitting member of the commission to be resubmitted for confirmation is an infringement on the governor's powers. This requirement should be dropped from the bill.

Second, Section 1 provides for the removal and suspension of members of the commission in proposed AS 05.45.030. This proposed statute would give the legislature the power to remove a member by a majority vote of the legislature meeting in joint session or by the governor with the consent of a majority of the legislature meeting in joint session. We believe that this provision violates the separation of powers doctrine of Alaska's Constitution. Consequently, this provision should be deleted from the bill.

Otherwise, our original analysis of January 30, 1991, which follows below, applies to the bill.

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 \$100,000, 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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SCS CSHB 16 (L&C)

wagering is authorized in the state. Outside counsel costs for this purpose average about \$150 per hour.

It is also our view that at some point the Department of Law will become heavily involved in the operations of the racing commission if horse racing becomes well established. For example, proposed AS 05.45.050, which spells out the duties and powers of the commission, provides that the commission's considerable regulatory activities shall be carried out in consultation with the attorney general. Furthermore, proposed AS 05.45.070 provides that the attorney general shall enforce the regulations of the commission.

Unfortunately, we cannot predict future legal costs because of our total lack of experience in this area. It is conceivable, however, that at least one civil attorney and one criminal attorney, plus support costs, could be required on a continuing basis due to future racing activity. Because of the severe budget constraints being felt by the department, it will be necessary to request additional funds when and if racing activities warrant, otherwise the department will not be able to fulfill its responsibilities to the Commission under this bill and the Commission's enforcement activities would come to a halt.

STATE OF ALASKA
1992 LEGISLATIVE SESSION

FISCAL NOTE

No. 6

Bill Version: SCSCSHR 16 C & C

(S) Publish Date: 5-1-92

Revision Date: 04/28/92 Department Affected: Commerce & Economic Development
 Title: An Act establishing the Alaska Racing Commission and authorizing parimutuel wagering... BRU: Occupational Licensing
 Component: Administration
 Sponsor: House Labor & Commerce
 Requestor: Senate Labor & Commerce COMPONENT SERIAL NO.

0	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0.0	52.8	105.7	162.5	162.5	162.5
TRAVEL	0.0	10.3	12.1	13.5	13.5	13.5
CONTRACTUAL	0.0	20.4	40.8	25.8	25.8	25.8
SUPPLIES	0.0	2.5	2.5	2.5	2.5	2.5
EQUIPMENT	0.0	11.6	0.0	0.0	0.0	0.0
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	0.0	97.6	161.1	204.3	204.3	204.3

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	68.4	261.4	522.8	522.8	522.8
---------	-----	------	-------	-------	-------	-------

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	97.6	161.1	204.3	204.3	204.3
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	0.0	97.6	161.1	204.3	204.3	204.3

POSITIONS:

FULL-TIME	0.0	0.0	2.0	2.0	2.0	2.0
PART-TIME	0.0	2.0	2.0	2.0	2.0	2.0
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)
SEE ATTACHED FOR ANALYSIS

Prepared By: John N. Hansen, Jr., Gaming Program Manager Phone: 465-2581
 Division: Occupational Licensing Date: 04/28/92
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: 4.28.92

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

FISCAL NOTE ANALYSIS - CSHB 16

FY 93 EXPENDITURE DETAIL

PERSONAL SERVICES

Executive Director, PX, Range 22A, 6 months	\$ 36,360.00
Clerk Typist III, PX, Range 8A, 6 months	<u>\$ 16,479.51</u>
SUB-TOTAL:	\$ 52,839.51

TRAVEL

FY 93: 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 (115 x 3 x 3)	0.00	2,070.00
1 Juneau to Anchorage (436 x 3)	1,308.00	1,035.00
1 Fairbanks to Anchorage (300 x 3)	900.00	690.00
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)	\$ 1,200.00	\$ 1,000.00
1 Site inspection (2 Anch. mbrs)	0.00	230.00
1 Event (8 days; 2 Anch. mbrs)	<u>1,840.00</u>	<u>1,840.00</u>
SUB-TOTAL:		\$10,273.00

CONTRACTUAL

Postage, Communications, Printing, Advertising
and other operating costs. \$ 15,000.00

Office Space rent 5,400.00

SUB-TOTAL: \$ 20,400.00

SUPPLIES \$ 2,500.00

EQUIPMENT (one-time costs only)

Desk, double pedestal, 70" x 36" \$ 837.00

Chair, swivel with arms 400.00

Typewriter, IBM Selectric III 700.00

Chair, side without arms 420.00

Desk Calculator 220.00

File Cabinet, 5-drawer, legal w/lock 553.00

Table, 72" x 36" 324.82

Wang Terminal 2,350.00

\$5,804.82 x 2 \$ 11,609.64

FY 93 TOTAL GENERAL FUND EXPENDITURES \$ 97,622.15

FY 93 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 93 ESTIMATED REVENUE TOTAL: \$ 68,400.00

PERSONAL SERVICES

Executive Director, PX, Range 22A, 12 months	\$ 72,721.53
Clerk Typist III, PX, Range 8A, 12 months	<u>32,959.03</u>
SUB-TOTAL:	\$105,680.56

TRAVEL

Four Commission meetings in Anchorage	\$ 8,004.00
2 - Site inspections (two Anchorage mbra)	460.00
2 - Events (8 days; 2 Anch. area Commissioners @ \$1840ea.)	<u>3,680.00</u>
SUB-TOTAL:	\$ 12,144.00

CONTRACTUAL

Postage, Communications, Printing, Advertising and other operating costs	\$ 15,000.00
Office Space rent	\$ 10,800.00
Contractual costs to provide services of an Auditor and Investigator	<u>\$ 15,000.00</u>
SUB-TOTAL:	\$ 40,800.00

SUPPLIES

FY 94 TOTAL GENERAL FUND EXPENDITURES	\$161,124.56
--	---------------------

FY 94 REVENUE DETAIL:

-- Two (2) six day events:

34,400 players per event (estimate based on 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 a State share of 10%, equals generated State Revenues of \$96.3 per event, or \$192.6 for the two events

-- \$1.00 per person gate fee for the two events equals \$68.8 in revenue (\$1.00 times 68,800 people equals \$68.8)

-- Various permit 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 94 ESTIMATED REVENUE TOTAL: \$261,400.00

FY 95 EXPENDITURE DETAIL

PERSONAL SERVICES

Executive Director, PX, Range 22A, 12 months	\$ 72,721.53
Clerk Typist III, PX, Range 8A, 12 months	32,959.03
Auditor, PX, Range 18A, 6 months	28,382.68
Investigator III, PX, Range 18A, 6 months	<u>28,382.68</u>

SUB-TOTAL: \$162,445.92

TRAVEL

Four Commission meetings in Anchorage	\$ 8,004.00
3 - Site inspections (by 3 members from Anchorage and one from Fairbanks)	990.00
(2 Anch. P/D = 230 x 2 inspections = 460)	
(1 Anch. P/D = 115 + FBX Airfare = \$300 + 115 = 530)	
4 - Events (8 days; by 3 members from Anchorage and one from Fairbanks)	<u>4,510.00</u>
(2 Anch. mbrs.: \$115 x 8 x 2 = 1840)	
(1 Anch. mbr.: \$115 x 8 x 2 = 1840 +	
1 Fbx. mbr.: \$300 + \$115 x 9 (extra day)	
x 2 = 2670)	

SUB-TOTAL: \$ 13,504.00

CONTRACTUAL

Postage, Communications, Printing, Advertising and other operating costs.	\$ 15,000.00
Office Space rent	<u>10,800.00</u>

SUB-TOTAL: \$ 25,800.00

SUPPLIES \$ 2,500.00

FY 95 REVENUE DETAIL:

-- Four (4) six day events:

34,400 players per event (estimate)

Handle of \$963.2 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 \$96.3 per event, or \$385.2 for the four estimated events.

-- \$1.00 per person gate fee per event generates \$137.6 in revenue (\$1.00 times
34,400 times four events)

-- Various permit fees will 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 95 ESTIMATED REVENUE TOTAL:

\$522,800.00

State of Alaska

Rep. Ronald Larson

CHAIRMAN

Sen. Jay Kerttula
VICE-CHAIRMAN

Sen. Dick Ellason

Sen. Al Adams

Sen. Jim Duncan

Sen. Curt Menard

Sen. Lyman Hoffman

Rep. Pat Carney

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Rep. Kay Brown

Rep. Fran Ulmer

Rep. Terry Martin

Legislative Budget and Audit Committee

WHILE IN SESSION
Room 502
State Capitol
Juneau, Alaska 99801-1182
(907) 465-3727

INTERIM ADDRESS
P.O. Box 53
Palmer, Alaska 99645
(907) 745-3826

MEMORANDUM

TO: Senator Jalmar Kerttula, Co-chairman
Senate Finance Committee

Senator Pat Pourchot, Co-chairman
Senate Finance Committee

FROM: Representative Ronald L. Larson *R.L.*

DATE: April 30, 1992

SUBJECT: Request for scheduling HB16

On Thursday, April 30, the Senate Judiciary Committee waived out HB16, an Act establishing the Alaska Racing Commission and authorizing parimutuel wagering. HB16 is now available for action by the Senate Finance Committee.

I will be happy to meet with you at any time to discuss this legislation. Given the time left in this legislative session, it is necessary for expeditious action since HB16 still must have a Senate floor vote and a House concurrence.

I would like to emphasize a few points regarding the local support this legislation has received:

* *An advisory ballot in the cities of Palmer and Wasilla in 1985 showed over 60% supporting local-option parimutuel wagering.*

* *My office has received over 300 letters and p.o.m.'s of support.*

* *Last Fall local citizens conducted a petition drive over a two week period in the Palmer, Wasilla, Fairview Loop, Eagle River, and Anchorage areas asking for support of local-option parimutuel wagering. Over 600 people signed the petition.*

* *The local-option provisions of HB16 require a municipal election by local voters before these events could take place.*

Please don't hesitate to contact me if you have any questions or concerns.

RECEIVED 48300 1992

Parimutuel Wagering

HB 16

Establishing the Alaska Racing Commission and Authorizing Parimutuel Wagering

Representative Ronald Larson

QUESTIONS ABOUT HB16 AND PARIMUTUEL WAGERING

What is parimutuel wagering?

Parimutuel wagering is a system of betting which dates back to the mid 1800's. This type of wagering differs from typical gambling by virtue of the fact that the odds are not arbitrary. Parimutuel wagering occurs when all collective bettors pool their wagers together. The total amount wagered versus the individual bets determines the amount which is divided among the winners.

Where has support been shown for parimutuel wagering?

Both the cities of Palmer and Wasilla had an advisory proposition placed on the ballot in the 1986 municipal election concerning parimutuel wagering. (please see attachments)

The results in Palmer were 62% in favor of the concept of local option parimutuel horse racing. The results in Wasilla were 63% in favor. Also, the Matanuska-Susitna Borough passed a resolution of support for local option parimutuel wagering.

What are some benefits of parimutuel wagering?

The most obvious benefit would be the generation of the racing business itself by the private sector. Infrastructure, such as breeding, training, and racing facilities will be an incentive for the construction industry. Additionally, racing will create a destination and accompanying services for tourism activities. This business can also add an entertainment feature at events such as our state fairs.

How is parimutuel wagering different from other games of chance and skill?

Oversight and regulation is much greater. The complexities of the wagering system and accompanying safeguards were built into it purposefully.

The most important thing about this type of racing is the controlled conditions which will guarantee the integrity of the race. Sophisticated racing equipment would be rented from outside; this is very normal procedure elsewhere, where racing is on a similarly small scale.

HB 16 legislates parimutuel guidelines which will disallow abuse. The regulatory nature of the Commission coupled with the required equipment enhance the parimutuel system to offset tampering and ensure security.

What time frames are envisioned for development?

After the local endorsement of the voters, preparation time could be six months to several years, depending on the level of development. A racing season would be for approximately 10 weeks, with both the Alaska and Tanana Fairs as the more probably exhibitions.

Parimutuel professionals tell us that an average scenario would include typically eight races a day, with eight entries per field. Estimates indicate that 270 animals would be required for a successful start up.

What are the fiscal implications for parimutuel wagering?

Our expectation for the fiscal note is relatively small, based on the assumption of a 10 week season. The Commission will be providing the initial professional expertise in the preparation of regulations, public hearings, and paperwork. Based on the development of races and facilities, the staffing requirements would follow the same growth curve.

What is the role of the Alaska Racing Commission?

The Commission will regulate racing and parimutuel wagering. Their wide range of regulatory responsibilities are outlined clearly in the bill, including their specific enforcement powers regarding prohibited acts and penalties.

The Commission shall adopt regulations; appoint officials; supervise and distribute the pool; ascertain standards for veterinaries, equipment, audits, and other related matters; license races; inspect racetracks and animals; establish dates, durations, locations, fees; account for all records, collections and disbursements; hire staff; - compel witnesses; and appoint hearing officers.

Who is a "typical participant" in parimutuel wagering?

Studies have shown that participants are generally white collar workers with one or more years of higher education and an income of \$35,000 or more.

Is parimutuel allowed in other states?

Currently 37 states allow parimutuel wagering for either horse racing, dog racing, or both.



231 W. EVERGREEN AVE.
PALMER, ALASKA 99645

CITY OF PALMER



Phone (907) 745-3271

A HOME RULE CITY

February 25, 1991

The Honorable Ron Larson
Representative
State of Alaska
Box V
Juneau, Alaska 99811

RE: HB 16 - An Act Establishing the Alaska Racing Commission

Dear Representative Larson,

The City of Palmer would like to go on record supporting House Bill 16 "An Act Establishing the Alaska Racing Commission and Authorizing Parimutuel Wagering at Sanctioned Events and Providing an Effective Date."

With declining revenues for both the local government entities and the State as well, we both have to look for new opportunities to raise revenues to meet our current needs and parimutuel wagering is one means of accomplishing this.

In the November-December 1990 issue of "Small Towns," the article entitled "The Deadwood Tradition, Putting Gambling Before Planning in South Dakota" has some very interesting highlights regarding the unanticipated windfall associated with the legalized gambling.

The breakdown of the receipts is a win-win situation for all the government entities in the Deadwood area such as the County, the State and the City of Deadwood itself. This too, may be something which could be done on the local level to increase revenues. Anyway, interesting reading.

The Honorable Ron Larson
February 25, 1991

Should you have any questions, please feel free to contact me.

Yours truly,

David L. Soulak
City Manager
City of Palmer

DLS/cac

Enclosure .

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)

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 Construction 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 berms. 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

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D. ADJOU

DAVID L. S



CITY OF WASILLA

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

Requested by: Mayor Bumpus
Prepared by: Mayor's Office

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)