

SB

157

<TARGET><BILL>SB 157</BILL><SUBJECT>SB
157</SUBJECT><COMM>SJUD29</COMM></TARGET>

Alaska State Legislature

Session:
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Senator Lesil McGuire

Sponsor Statement for Senate Bill 157

“An Act defining arcade-style amusement devices.”

SB 157 is a housekeeping measure that aims to clarify that restaurants featuring arcade-style amusement games may lawfully operate in Alaska. Elsewhere in the United States, popular restaurant businesses feature arcade areas where patrons play games of skill to win tickets which can then be redeemed for toys and other novelties. Unfortunately, Alaska’s outdated laws are so vague that the legality of these operations is far from clear. SB 157 would clarify that playing these arcade-style amusement games of skill, winning tickets and redeeming them for small, non-cash prizes does not constitute gambling under Alaska law. By clarifying this issue, the risk for companies seeking to do business in Alaska will be eliminated.

These family-friendly businesses can be significant additions to Alaska’s economy. For example, Dave & Busters is seeking to open a location at the Dimond Center mall in Anchorage. It is anticipated that Dave & Buster’s will spend approximately \$10 million to build said location, and once operational will employ approximately 140-160 workers. Moreover, this addition to the Dimond Center is the keystone to a much larger renovation project for the mall that is anticipated to employ approximately 200 construction workers. In this time of economic uncertainty, this is an effective way to add well-paying jobs to Alaska’s economy. Passage of this bill will give businesses like Dave & Buster’s the sure-footed legal ground to move ahead with their plans.

Finally, it should be made absolutely clear that this narrow bill does not in any way legalize traditional gambling, nor does it legalize casino-style video gambling such as video poker, slots, or roulette. Once again, this bill only clarifies that arcade-style operations that award tickets to be redeemed for toys and other novelties are lawful.

I ask your support in passing this common-sense housekeeping measure that will benefit Alaska’s economy.

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version: SB 157
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB157-DOR-TAX-01-27-16
Title: AMUSEMENT DEVICES & GAMBLING
DEFINITION
Sponsor: MCGUIRE
Requester: Senate Judiciary

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates					
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues								
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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

This is the initial fiscal note for SB 157.

Prepared By: Katrina Mitchell, Gaming Supervisor
Division: Tax
Approved By: Jerry Burnett, Deputy Commissioner
Agency: Department of Revenue

Phone: (907)465-3410
Date: 01/27/2016 01:30 PM
Date: 01/27/16

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

BILL NO. SB 157

Analysis

AS 11.66.280(2) defines 'gambling' and exclusions to gambling. This bill amends the exclusions to include amusement devices:

1. Where the player is given something of value such as a ticket or a token to redeem for items such as toys, candy, and electronic novelties; and
2. Where the player is able to manipulate a claw machine to receive merchandise directly from the machine.

The Department of Revenue oversees Title 5, Chapter 15, Games of Chance and Contests of Skill which provides for certain gambling activities to be permissible, but does not address the amusement devices described in the bill.

This bill is not expected to have a fiscal impact because the described amusement devices are not subject to oversight by the Department.

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version: SB 157
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB157-LAW-CRIM-01-29-16
Title: AMUSEMENT DEVICES & GAMBLING
DEFINITION
Sponsor: MCGUIRE
Requester: Senate Judiciary

Department: Department of Law
Appropriation: Criminal Division
Allocation: Criminal Justice Litigation
OMB Component Number: 2202

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates					
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues								
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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial version, not applicable.

Prepared By: Valerie Rose, Budget Analyst
Division: Administrative Services Division
Approved By: Craig W. Richards, Attorney General
Agency: Department of Law

Phone: (907)465-3674
Date: 01/29/2016 03:11 PM
Date: 01/29/16

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

BILL NO. SB157

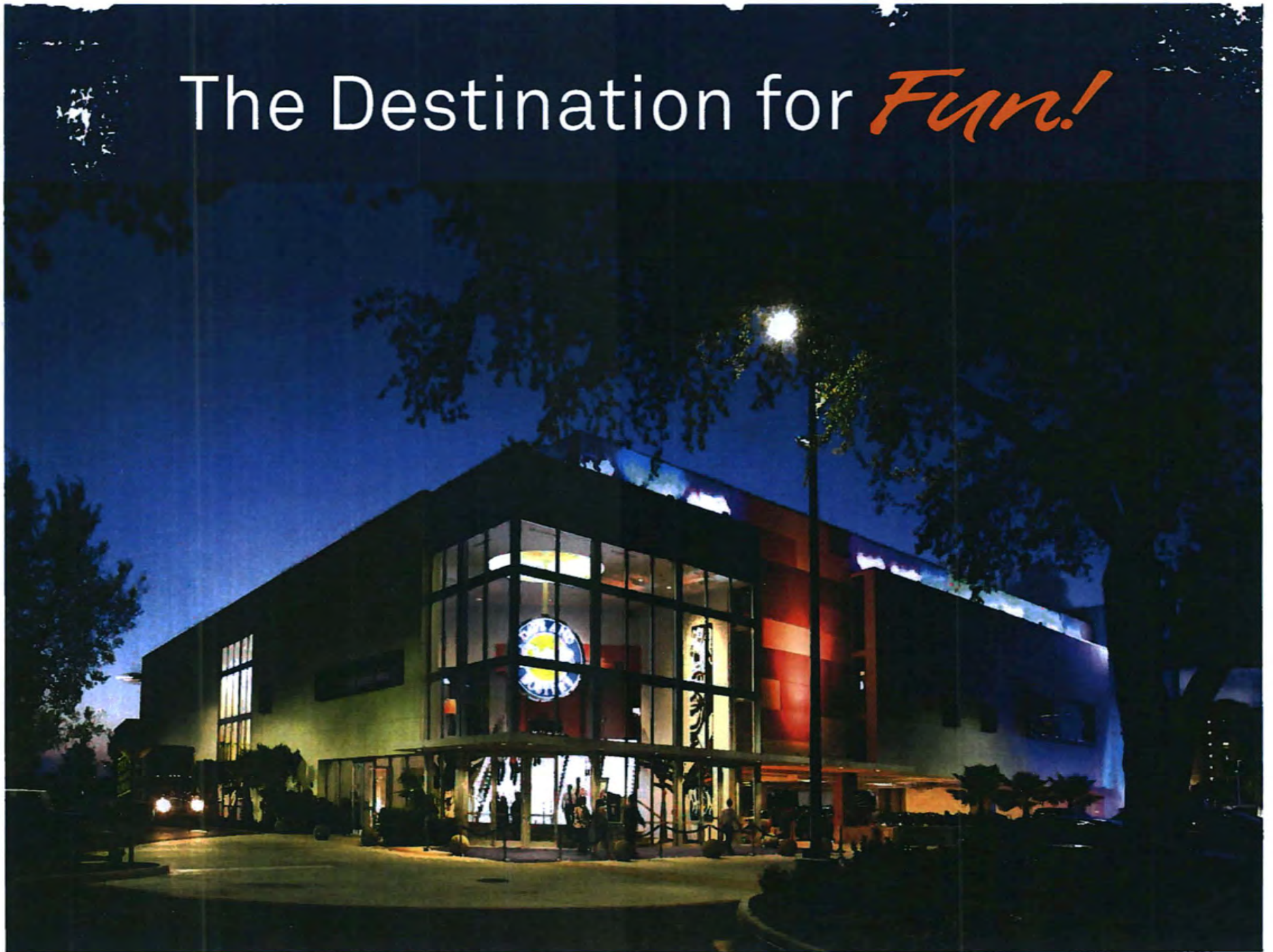
Analysis

This legislation amends the definition of gambling to exclude amusement devices that confer tickets or tokens which can be redeemed for toys, candy or electronic novelties offered in the same facility where the amusement devices are located. It also excludes amusement devices that involve manipulating a claw to get merchandise from the machine.

Under the legislation an amusement device includes arcade-style games, pinball, and shooting galleries, but is not a casino-style game such as slot machines.

The Department of Law does not anticipate a fiscal impact.

The Destination for *Fun!*





Dave & Buster's

Celebrating 30 years of Eat, Drink & Play, our Guests come to us to escape their daily grind. Only at Dave & Buster's can they have it all!

A mix of immersive experiences with fun and engaging people, innovative food and drinks, all in a cool and current environment.

It's the New Mix of Fun!

Our core customers are young adults to families. We also draw a significant number of corporate events and social occasions, such as birthdays and anniversaries.

Eat



Drink



Play



Special Events



Corporate



Social

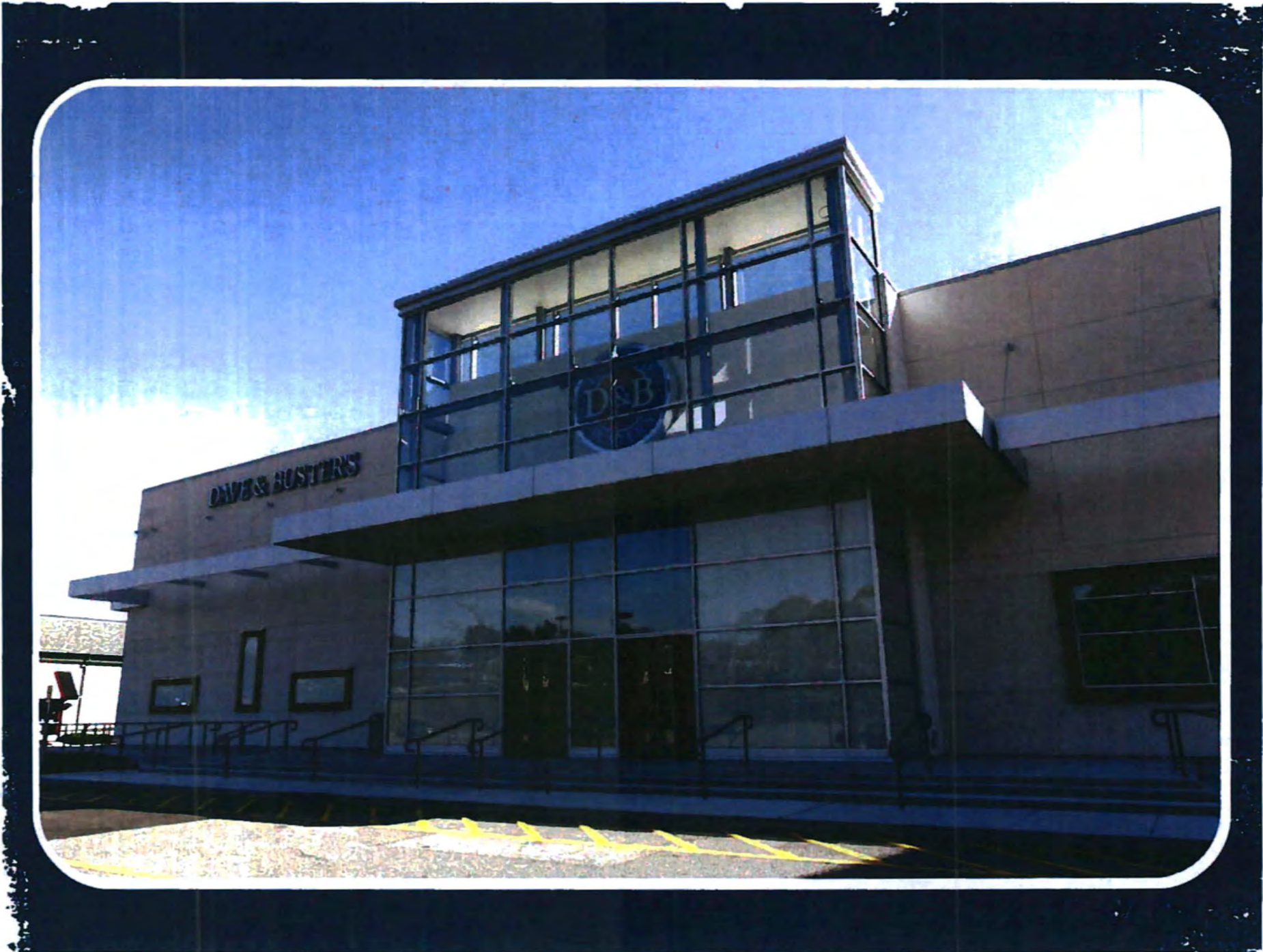


Cool & Current Environment









Cool & Current Environment















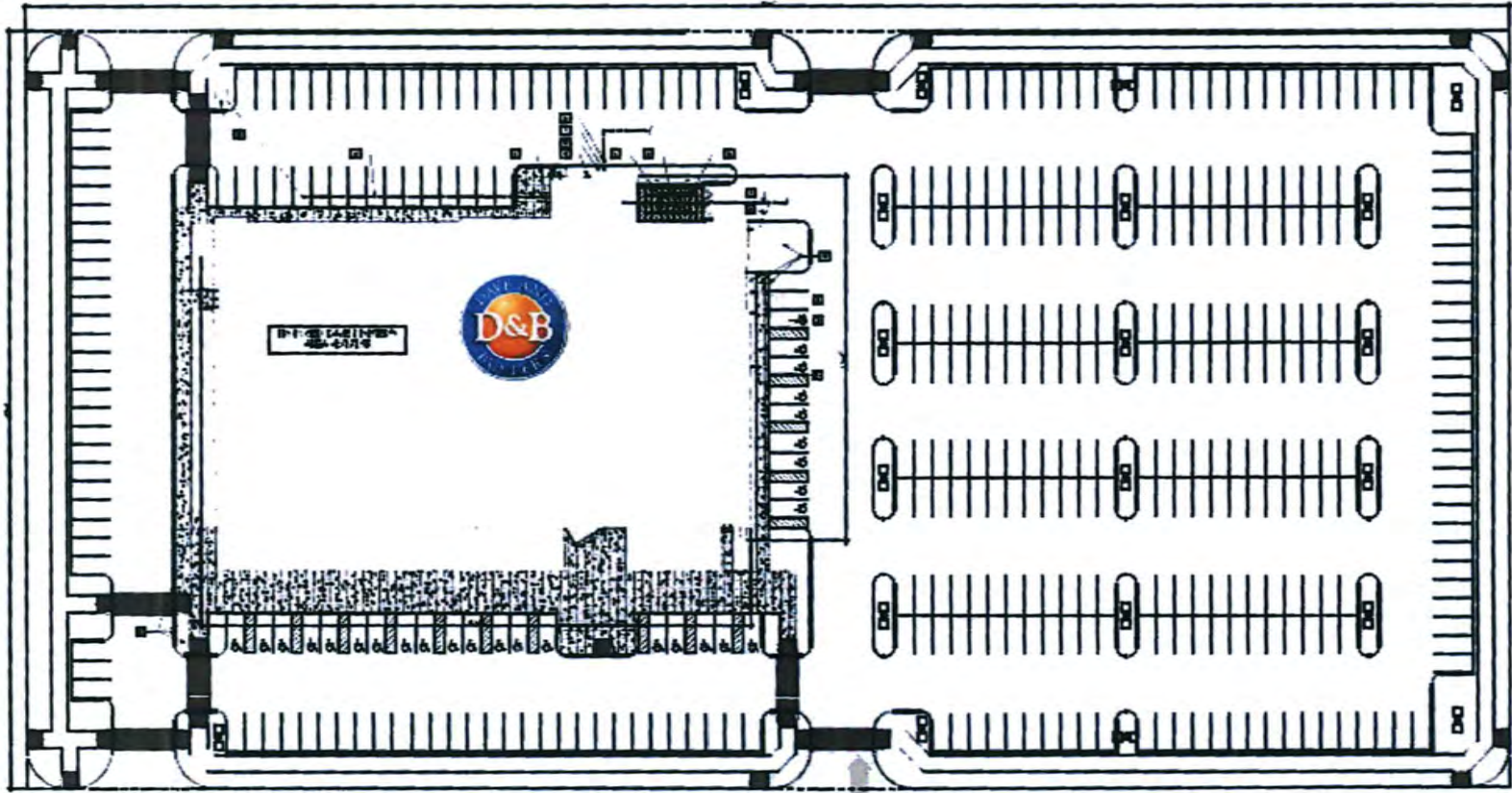
Watch **EPIC** Sports





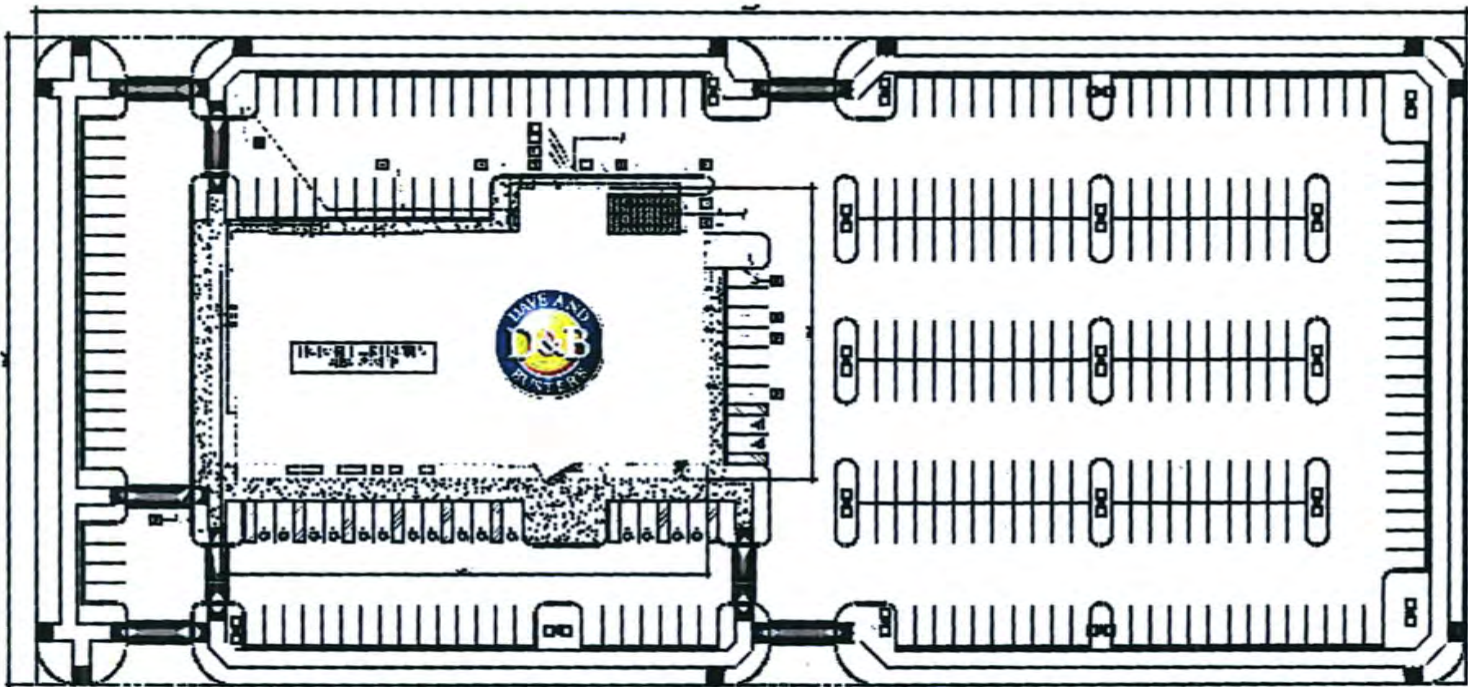


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VEHICLES	0	2. SEE KEYNOTES FOR ALL NOTES	2. SEE KEYNOTES FOR ALL NOTES
SITE INFORMATION		3. SEE KEYNOTES FOR ALL NOTES	3. SEE KEYNOTES FOR ALL NOTES
PROJECT NO.	1012	4. SEE KEYNOTES FOR ALL NOTES	4. SEE KEYNOTES FOR ALL NOTES
DATE	05/03/12	5. SEE KEYNOTES FOR ALL NOTES	5. SEE KEYNOTES FOR ALL NOTES
PROJECT NAME 40,000sf D&B Site Plan		6. SEE KEYNOTES FOR ALL NOTES	6. SEE KEYNOTES FOR ALL NOTES
CLIENT D&B		7. SEE KEYNOTES FOR ALL NOTES	7. SEE KEYNOTES FOR ALL NOTES
ARCHITECT Aria Group Architects, Inc.		8. SEE KEYNOTES FOR ALL NOTES	8. SEE KEYNOTES FOR ALL NOTES



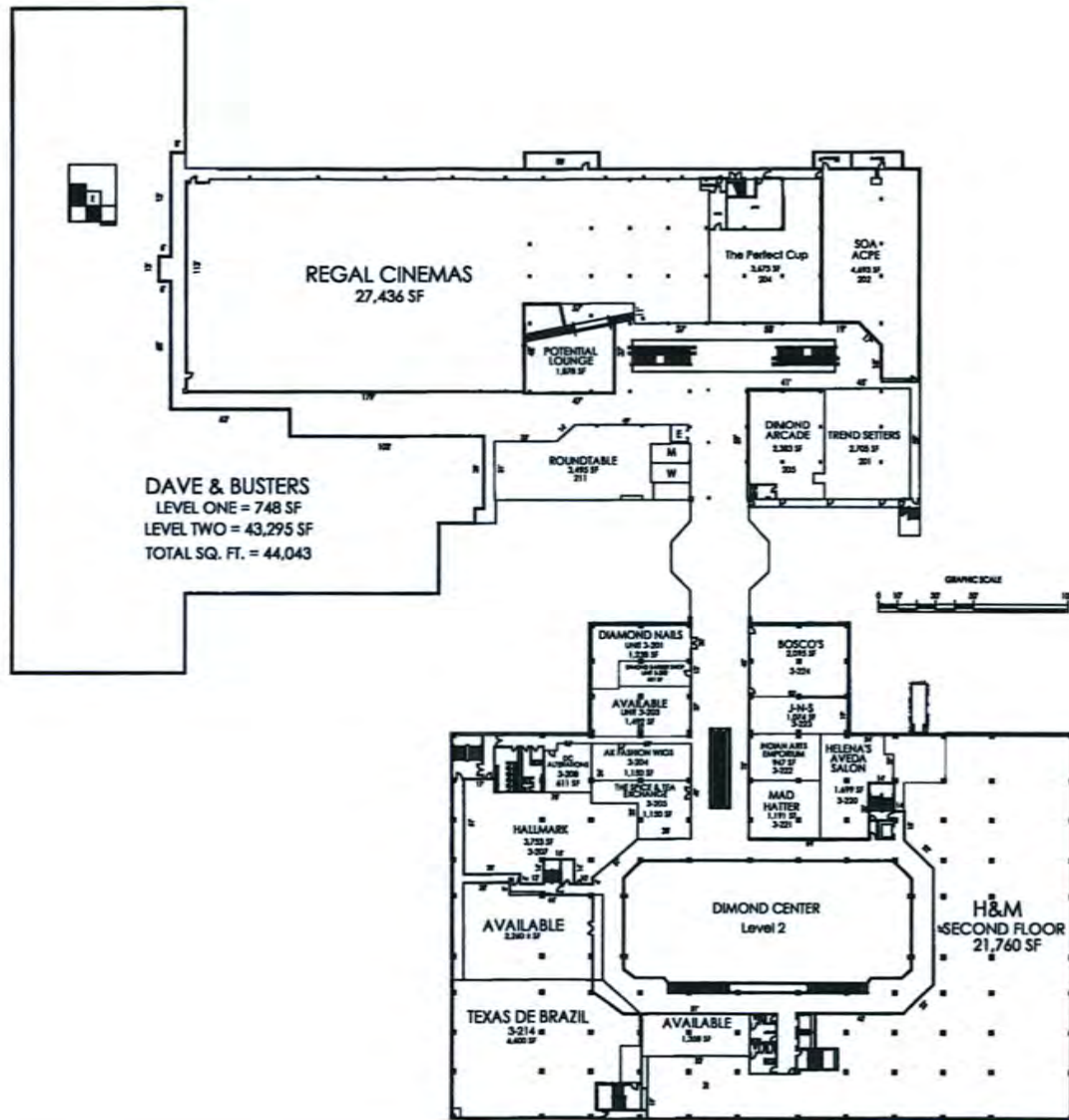
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STREET	0
SITE INFORMATION	
DRIVEWAY	10
STREET	0

NOTES	
1	SEE PLAN FOR DETAILS
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20	SEE PLAN FOR DETAILS



25,000sf D&B Site Plan - May 3, 2012
SCALE: 1"=20'

Aria Group Architects, Inc.
ARCHITECTURE • PLANNING • INTERIOR DESIGN



REV:	APPROVED BY:	DATE:	SCALE:	DWG. NO.:
	H. ASHLOCK	01/13/16	1/64" = 1'-0"	
	DRAWN BY:			
	A. BALUYUT			
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FUTURE LEASE PLAN - L2				
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