

LEG. FINANCE - BILLS 1985 - 1986 2388

HB 243 - HB 247 2388

Revision Date: _____

REQUEST

Bill/Resolution No.: CS HB 243 (Fin)
 Title: Compensation of Employees
not covered by collective bargaining
 Sponsor: Rules/Governor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Office of the Governor
 Program Category Affected: Salary & Benefit
Increases
 BRU, Program or Subprogram(s) Affected:
Non-covered employees, excluding elected
officials

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		13,080.8				
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
500 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		13,080.8				

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	12,143.6				
FEDERAL FUNDS	48.1				
OTHER	889.1				
TOTAL	13,080.8				

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: Attach a separate page if necessary

Funds salary and benefit increases for non-covered employees (except elected officials) in the executive, judicial and legislative branches; funded at the 80% General Fund and 100% Federal and other Funds support levels.

*Prepared By: Michael Greany, Director
 Division: Legislative Finance Division

Michael Greany

Phone: 465-3795
 Date: 5/10/85

Approved by Commissioner: _____
 Agency: _____

Date: _____

Distribution (by Agency preparing fiscal note):

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

7/1/84

HOUSE FINANCE COMMITTEE

LETTER OF INTENT

FOR

CSHB243 (Finance)

It is the intent of the legislature that negotiated salary schedules for employees covered by collective bargaining agreements and salary schedules for non-covered employees are approved and will be paid. For FY86, eighty percent of general fund support requirements are funded. Funding requirements from other fund sources are fully funded.

Al Adams, Chairman
House Finance Committee

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 243 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the compensation of state offi-
7 cers and employees not covered by collective bargain-
8 ing; establishing the annual compensation of elected
9 state officials at the current salary levels; and
10 providing for an effective date."

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

12 * Section 1. AS 24.15.020 is amended to read:

13 Sec. 24.15.020. SALARY OF LEGISLATORS. The annual [MONTHLY]
14 salary for each member of the legislature is \$46,800 [EQUAL TO STEP A,
15 RANGE 22 OF THE SALARY SCHEDULE IN AS 39.27.011(a) FOR JUNEAU,
16 ALASKA]. The president of the senate and the speaker of the house of
17 representatives are each entitled to an additional \$500 a year during
18 tenure of office.

19 * Sec. 2. AS 39.20.010 is amended to read:

20 Sec. 39.20.010. ANNUAL [MONTHLY] SALARY OF GOVERNOR. The annual
21 [MONTHLY] salary of the governor is \$81,648 [EQUAL TO STEP F, RANGE
22 30, OF THE SALARY SCHEDULE IN AS 39.27.011(a) FOR JUNEAU, ALASKA].

23 * Sec. 3. AS 39.20.030 is amended to read:

24 Sec. 39.20.030. ANNUAL [MONTHLY] SALARY OF LIEUTENANT GOVERNOR.
25 The annual [MONTHLY] salary of the lieutenant governor is \$76,188
26 [EQUAL TO STEP F, RANGE 28 OF THE SALARY SCHEDULE IN AS 39.27.011(a)
27 FOR JUNEAU, ALASKA].

28 * Sec. 4. AS 39.27.011(a) is repealed and reenacted to read:

29 (a) The following monthly basic salary schedule is approved as

the pay plan for classified and partially exempt employees in the executive branch of the state government who are not members of a collective bargaining unit established under the authority of the Public Employment Relations Act:

Range No.	Step A	Step B	Step C	Step D	Step E	Step F
05	1,387	1,425	1,467	1,507	1,552	1,593
06	1,467	1,507	1,552	1,593	1,639	1,687
07	1,552	1,593	1,639	1,687	1,740	1,793
08	1,639	1,687	1,740	1,793	1,845	1,903
09	1,740	1,793	1,845	1,903	1,965	2,020
10	1,845	1,903	1,965	2,020	2,082	2,145
11	1,965	2,020	2,082	2,145	2,217	2,286
12	2,082	2,145	2,217	2,286	2,365	2,445
13	2,217	2,286	2,365	2,445	2,531	2,623
14	2,365	2,445	2,531	2,623	2,715	2,818
15	2,531	2,623	2,715	2,818	2,910	3,020
16	2,715	2,818	2,910	3,020	3,129	3,242
17	2,910	3,020	3,129	3,242	3,353	3,468
18	3,129	3,242	3,353	3,468	3,582	3,717
19	3,353	3,468	3,582	3,717	3,831	3,974
20	3,582	3,717	3,831	3,974	4,095	4,246
21	3,831	3,974	4,095	4,246	4,379	4,537
22	4,095	4,246	4,379	4,537	4,687	4,859
23	4,379	4,537	4,687	4,859	5,021	5,209
24	4,687	4,859	5,021	5,209	5,385	5,568
25	5,021	5,209	5,385	5,568	5,773	5,990
26	5,209	5,385	5,568	5,773	5,990	6,206
27	5,385	5,568	5,773	5,990	6,206	6,442

1	28	5,568	5,773	5,990	6,206	6,442	6,666
2	29	5,773	5,990	6,206	6,442	6,666	6,901
3	30	5,990	6,206	6,442	6,666	6,901	7,144

4 * Sec. 5. COMPENSATORY PAYMENT. A compensatory payment, equal to three
5 and one-half percent of an officer's or employee's basic pay for the period
6 between December 16, 1984 and June 15, 1985, shall be paid to each officer
7 or employee covered by AS 16.43.060, AS 22.05.140(a), AS 22.07.090(a),
8 AS 22.10.190(a), AS 22.15.220(a), AS 22.15.220(b), AS 39.20.080(a), AS 39.-
9 20.080(b), AS 39.27.011(a), or AS 42.05.091, for any base pay earned during
10 that period.

11 * Sec. 6. EMPLOYEES OF THE JUDICIAL AND LEGISLATIVE BRANCHES. (a) The
12 following employees are entitled to receive salary adjustments comparable
13 to those received by the classified and partially exempt employees of the
14 executive branch under AS 39.27.011(a) as that subsection is reenacted in
15 sec. 4 of this Act:

16 (1) permanent and temporary employees of the judicial branch;

17 (2) permanent employees of the legislative branch, the chief
18 clerk of the house of representatives and employees of the office of the
19 chief clerk, and the senate secretary and employees of the office of the
20 senate secretary;

21 (3) permanent and temporary employees of the executive branch
22 who are in the exempt service under AS 39.25, who are not members of a
23 collective bargaining unit established under the Public Employment Rela-
24 tions Act (AS 23.40), and who are not otherwise statutorily covered by
25 AS 39.27.011(a).

26 (b) The employees described in (a) of this section are entitled to
27 receive compensatory payments comparable to those received under sec. 5 of
28 this Act.

29 * Sec. 7. EMPLOYEES OF THE UNIVERSITY OF ALASKA. The employees of the

1 University of Alaska who are not members of a collective bargaining unit
2 are entitled to receive salary increases in accordance with the compensa-
3 tion policy of the board of regents of the University of Alaska.

4 * Sec. 8. Sections 1 - 4, 6, and 7 of this Act take effect July 16,
5 1985.

6 * Sec. 9. Section 5 of this Act takes effect August 1, 1985.
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STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 243
 Title: An Act relating to Compensation
of Legislators
 Sponsor: Katie Hurley
 Requestor: Katie Hurley per Patti Macklin
 Date of Request: 1/25/85 3:15 pm

FISCAL DETAIL

Agency Affected: Legislative Affairs
 Program Category Affected: General Government
 BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	-0-	<1,108.7>				
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
500 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		<1,108.7>				

CAPITAL						
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REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		<1,108.7>				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Repealing the legislators pay raise of 1983 would be a cost savings of \$1,108.7. This includes 1) reducing their monthly salary from \$3,900 a month (Range 22A) to \$1,757 a month (Range 10A) 2) reinstating per diem during session \$80 a day per diem x 120 days x 57 legislators and \$60 a day per diem x 120 days x 3 legislators.

Prepared By: Pamela A. Calhoon, Manager

Division: Administrative Services

Phone: 465-3850

Date: 1/28/85

Approved by Dep. Exec. Director: Don Fisher

Agency: Legislative Affairs Agency

Date: _____

Distribution (by Agency preparing fiscal note):

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

7/1/84

OC
4/11

A M E N D M E N T

Offered in the HOUSE

By Hurley
& Boucher

TO: HB 243

Page 1, after line 9, insert new bill sections to read:

"* Section 1. AS 24.15 is amended by adding a new section to read:

Sec. 24.15.011. LEGISLATIVE PER DIEM. (a) A member of the legislature is entitled to receive per diem at the same rate allowed for a state employee under AS 39.20.110 and 39.20.160, including regional variations in the rate where applicable.

(b) A legislator is entitled to receive per diem at the short-term rate

(1) during a legislative session if the legislator is not living in the legislator's place of permanent residence during the session; and

(2) while on committee business for an interim committee of the legislature in a place that is not the legislator's place of permanent residence.

(c) A legislator is entitled to receive per diem at the long-term rate

(1) during a legislative session if the legislator is living in the legislator's place of permanent residence during the session; and

(2) while engaged in committee business for an interim committee of the legislature at the legislator's place of permanent

residence.

(d) In this section

(1) "long-term rate" means the long-term per diem rate for a state employee established in regulations adopted by the commissioner of administration under AS 39.20.160;

(2) "short-term rate" means the short-term per diem rate for a state employee established in regulations adopted by the commissioner of administration under AS 39.20.160.

* Sec. 2. AS 24.15.020 is amended to read:

Sec. 24.15.020. SALARY OF LEGISLATORS. The monthly salary for each member of the legislature is equal to Step A, Range 10 [22] of the salary schedule in AS 39.27.011(a) for Juneau, Alaska. The president of the senate and the speaker of the house of representatives are each entitled to an additional \$500 a year during tenure of office.

* Sec. 3. AS 24.15.040 is amended to read:

Sec. 24.15.040. METHOD OF PAYMENT. Salaries, per diem and additional allowances for members of the legislature shall be paid by warrants drawn on vouchers approved by the legislative fiscal officer."

Renumber remaining bill sections.

Page 4, line 3, delete "secs. 1 and 2" and insert "secs. 4 and 5"

Page 4, line 6, delete "sec. 3" and insert "sec. 6"

Page 4, line 11, delete "Sections 1, 4, and 5" and insert "Sections 4, and 8"

Page 4, line 12, delete "Section 2" and insert "Section 5"

Page 4, line 13, delete "Section 3" and insert "Section 6"

C
4/11

A M E N D M E N T

#2

Offered in the HOUSE

By Hurley

To: HB 243

Page 3, line 27 through page 4, line 6:

Delete all material and insert:

" * Sec. 4. EMPLOYEES OF JUDICIAL AND LEGISLATIVE BRANCHES AND CERTAIN EXEMPT EMPLOYEES OF EXECUTIVE BRANCH. (a) The following employees are entitled to receive salary adjustments comparable to those received by the classified and partially exempt employees of the executive branch under AS 39.27.011(a) as that subsection is reenacted in secs. 1 and 2 of this Act:

- (1) permanent and temporary employees of the judicial branch;
- (2) permanent employees of the legislative branch;
- (3) permanent and temporary employees of the executive branch who are in the exempt service under AS 39.25, who are not members of a collective bargaining unit established under the Public Employment Relations Act (AS 23.40.070 - 23.40.260), and who are not otherwise statutorily covered by AS 39.27.011(a).

(b) The employees described in (a) of this section are entitled to receive compensatory payments comparable to those provided under sec. 3 of this Act."

A M E N D M E N T

#2

Offered in the HOUSE

By Hurley

To: HB 243

Page 3, line 27 through page 4, line 6:

Delete all material and insert:

" * Sec. 4. EMPLOYEES OF JUDICIAL AND LEGISLATIVE BRANCHES AND CERTAIN EXEMPT EMPLOYEES OF EXECUTIVE BRANCH. (a) The following employees are entitled to receive salary adjustments comparable to those received by the classified and partially exempt employees of the executive branch under AS 39.27.011(a) as that subsection is reenacted in secs. 1 and 2 of this Act:

(1) permanent and temporary employees of the judicial branch;

(2) permanent employees of the legislative branch;

(3) permanent and temporary employees of the executive branch who are in the exempt service under AS 39.25, who are not members of a collective bargaining unit established under the Public Employment Relations Act (AS 23.40.070 - 23.40.260), and who are not otherwise statutorily covered by AS 39.27.011(a).

(b) The employees described in (a) of this section are entitled to receive compensatory payments comparable to those provided under sec. 3 of this Act."

Introduced: 2/27/85
Referred: State Affairs
and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 243

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the compensation of state offi-
7 cers and employees not covered by collective bargain-
8 ing; and providing for an effective date."

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

10 * Section 1. AS 39.27.011(a) is repealed and reenacted to read:

11 (a) The following monthly basic salary schedule is approved as
12 the pay plan for classified and partially exempt employees in the ex-
13 ecutive branch of the state government who are not members of a col-
14 lective bargaining unit established under the authority of the Public
15 Employment Relations Act:

16 Range	Step	Step	Step	Step	Step	Step
17 No.	A	B	C	D	E	F
18 05	1,387	1,425	1,467	1,507	1,552	1,593
19 06	1,467	1,507	1,552	1,593	1,639	1,687
20 07	1,552	1,593	1,639	1,687	1,740	1,793
21 08	1,639	1,687	1,740	1,793	1,845	1,903
22 09	1,740	1,793	1,845	1,903	1,965	2,020
23 10	1,845	1,903	1,965	2,020	2,082	2,145
24 11	1,965	2,020,	2,082	2,145	2,217	2,286
25 12	2,082	2,145	2,217	2,286	2,365	2,445
26 13	2,217	2,286	2,365	2,445	2,531	2,623
27 14	2,365	2,445	2,531	2,623	2,715	2,818
28 15	2,531	2,623	2,715	2,818	2,910	3,020
29 16	2,715	2,818	2,910	3,020	3,129	3,242

1	17	2,910	3,020	3,129	3,242	3,353	3,468
2	18	3,129	3,242	3,353	3,468	3,582	3,717
3	19	3,353	3,468	3,582	3,717	3,831	3,974
4	20	3,582	3,717	3,831	3,974	4,095	4,246
5	21	3,831	3,974	4,095	4,246	4,379	4,537
6	22	4,095	4,246	4,379	4,537	4,687	4,859
7	23	4,379	4,537	4,687	4,859	5,021	5,209
8	24	4,687	4,859	5,021	5,209	5,385	5,568
9	25	5,021	5,209	5,385	5,568	5,773	5,990
10	26	5,209	5,385	5,568	5,773	5,990	6,206
11	27	5,385	5,568	5,773	5,990	6,206	6,442
12	28	5,568	5,773	5,990	6,206	6,442	6,666
13	29	5,773	5,990	6,206	6,442	6,666	6,901
14	30	5,990	6,206	6,442	6,666	6,901	7,144

15 * Sec. 2. AS 39.27.011(a) is repealed and reenacted to read:

16 (a) The following monthly basic salary schedule is approved as
17 the pay plan for classified and partially exempt employees in the ex-
18 ecutive branch of the state government who are not members of a col-
19 lective bargaining unit established under the authority of the Public
20 Employment Relations Act:

21 Range	Step	Step	Step	Step	Step	Step
22 No.	A	B	C	D	E	F
23 05	1,440	1,479	1,523	1,564	1,611	1,654
24 06	1,523	1,564	1,611	1,654	1,701	1,751
25 07	1,611	1,654	1,701	1,751	1,806	1,861
26 08	1,701	1,751	1,806	1,861	1,915	1,975
27 09	1,806	1,861	1,915	1,975	2,040	2,097
28 10	1,915	1,975	2,040	2,097	2,161	2,227
29 11	2,040	2,097	2,161	2,227	2,301	2,373

1	12	2,161	2,227	2,301	2,373	2,455	2,538
2	13	2,301	2,373	2,455	2,538	2,627	2,723
3	14	2,455	2,538	2,627	2,723	2,818	2,925
4	15	2,627	2,723	2,818	2,925	3,021	3,135
5	16	2,818	2,925	3,021	3,135	3,248	3,365
6	17	3,021	3,135	3,248	3,365	3,480	3,600
7	18	3,248	3,365	3,480	3,600	3,718	3,858
8	19	3,480	3,600	3,718	3,858	3,977	4,125
9	20	3,718	3,858	3,977	4,125	4,251	4,407
10	21	3,977	4,125	4,251	4,407	4,545	4,709
11	22	4,251	4,407	4,545	4,709	4,865	5,044
12	23	4,545	4,709	4,865	5,044	5,212	5,407
13	24	4,865	5,044	5,212	5,407	5,590	5,780
14	25	5,212	5,407	5,590	5,780	5,992	6,218
15	26	5,407	5,590	5,780	5,992	6,218	6,441
16	27	5,590	5,780	5,992	6,218	6,441	6,687
17	28	5,780	5,992	6,218	6,441	6,687	6,920
18	29	5,992	6,218	6,441	6,687	6,920	7,163
19	30	6,218	6,441	6,687	6,920	7,163	7,416

20 * Sec. 3. COMPENSATORY PAYMENT. A compensatory payment, equal to three
21 and one-half percent of an officer's or employee's basic pay for the period
22 between December 16, 1984 and June 15, 1985, must be paid to each officer
23 or employee covered by AS 16.43.060, AS 22.05.140(a), AS 22.07.090(a),
24 AS 22.10.190(a), AS 22.15.220(a), AS 22.15.220(b), AS 39.20.010, AS 39.20.-
25 030, AS 39.20.080(a), AS 39.20.080(b), AS 39.27.011(a), or AS 42.05.091,
26 for any base pay earned during that period.

27 * Sec. 4. EMPLOYEES OF THE JUDICIAL AND LEGISLATIVE BRANCHES. (a) The
28 permanent and temporary employees of the judicial branch and the permanent
29 employees of the legislative branch are entitled to receive salary

1 adjustments comparable to those received by the classified and partially
2 exempt employees of the executive branch under AS 39.27.011(a) as that
3 subsection is reenacted in secs. 1 and 2 of this Act.

4 (b) The legislative and judicial employees described in (a) of this
5 section are entitled to receive compensatory payments comparable to those
6 received under sec. 3 of this Act.

7 * Sec. 5. EMPLOYEES OF THE UNIVERSITY OF ALASKA. The employees of the
8 University of Alaska who are not members of a collective bargaining unit
9 are entitled to receive salary increases in accordance with the compensa-
10 tion policy of the board of regents of the University of Alaska.

11 * Sec. 6. Sections 1, 4, and 5 of this Act take effect July 16, 1985.

12 * Sec. 7. Section 2 of this Act takes effect July 16, 1986.

13 * Sec. 8. Section 3 of this Act takes effect August 1, 1985.

COMMITTEE REPORT
SENATE

FURTHER:

Date 5/12/85

5/11/85
Mr. President

The Committee on FINANCE considered CSH 243 (Fin) compensation of state officers and employees not covered by collective bargaining; establishing the annual compensation of elected state officials at the current salary levels; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for _____
- new title _____
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

Rich Holcomb
Mike Mason
James ...
John ...

MEMBERS HAVING
OTHER RECOMMENDATIONS

Paul ... (No Rec)

Chairman

Chairman recommendation

5/12/85
JFC-85

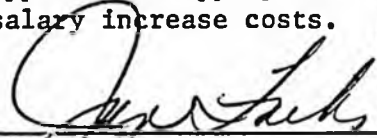
SENATE FINANCE COMMITTEE

LETTER OF INTENT

FOR

CSHB243 (Finance)

It is the intent of the legislature that negotiated salary schedules for employees covered by collective bargaining agreements and salary schedules for non-covered employees are approved and will be paid. For FY86, eighty percent of general fund support requirements are funded. Funding requirements from other fund sources are fully funded. The Court System may request a supplemental appropriation if it is unable to absorb unfunded salary increase costs.



Jan Faiks
Senate Finance Committee



John Sackett
Senate Finance Committee

Offered: 5/11/85
For Today's Supplemental
Calendar

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE FINANCE COMMITTEE
2 CS FOR HOUSE BILL NO. 243 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act relating to the compensation of state offi-
7 cers and employees not covered by collective bargain-
8 ing; establishing the annual compensation of elected
9 state officials at the current salary levels; and
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15 RANGE 22 OF THE SALARY SCHEDULE IN AS 39.27.011(a) FOR JUNEAU,
16 ALASKA]. The president of the senate and the speaker of the house of
17 representatives are each entitled to an additional \$500 a year during
18 tenure of office.

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20 Sec. 39.20.010. ANNUAL [MONTHLY] SALARY OF GOVERNOR. The annual
21 [MONTHLY] salary of the governor is \$81,648 [EQUAL TO STEP F, RANGE
22 30, OF THE SALARY SCHEDULE IN AS 39.27.011(a) FOR JUNEAU, ALASKA].

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24 Sec. 39.20.030. ANNUAL [MONTHLY] SALARY OF LIEUTENANT GOVERNOR.
25 The annual [MONTHLY] salary of the lieutenant governor is \$76,188
26 [EQUAL TO STEP F, RANGE 28 OF THE SALARY SCHEDULE IN AS 39.27.011(a)
27 FOR JUNEAU, ALASKA].

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1 the pay plan for classified and partially exempt employees in the ex-
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 3 lective bargaining unit established under the authority of the Public
 4 Employment Relations Act:

5 Range	Step	Step	Step	Step	Step	Step
6 No.	A	B	C	D	E	F
7 05	1,387	1,425	1,467	1,507	1,552	1,593
8 06	1,467	1,507	1,552	1,593	1,639	1,687
9 07	1,552	1,593	1,639	1,687	1,740	1,793
10 08	1,639	1,687	1,740	1,793	1,845	1,903
11 09	1,740	1,793	1,845	1,903	1,965	2,020
12 10	1,845	1,903	1,965	2,020	2,082	2,145
13 11	1,965	2,020,	2,082	2,145	2,217	2,286
14 12	2,082	2,145	2,217	2,286	2,365	2,445
15 13	2,217	2,286	2,365	2,445	2,531	2,623
16 14	2,365	2,445	2,531	2,623	2,715	2,818
17 15	2,531	2,623	2,715	2,818	2,910	3,020
18 16	2,715	2,818	2,910	3,020	3,129	3,242
19 17	2,910	3,020	3,129	3,242	3,353	3,468
20 18	3,129	3,242	3,353	3,468	3,582	3,717
21 19	3,353	3,468	3,582	3,717	3,831	3,974
22 20	3,582	3,717	3,831	3,974	4,095	4,246
23 21	3,831	3,974	4,095	4,246	4,379	4,537
24 22	4,095	4,246	4,379	4,537	4,687	4,859
25 23	4,379	4,537	4,687	4,859	5,021	5,209
26 24	4,687	4,859	5,021	5,209	5,385	5,568
27 25	5,021	5,209	5,385	5,568	5,773	5,990
28 26	5,209	5,385	5,568	5,773	5,990	6,206
29 27	5,385	5,568	5,773	5,990	6,206	6,442

1	28	5,568	5,773	5,990	6,206	6,442	6,666
2	29	5,773	5,990	6,206	6,442	6,666	6,901
3	30	5,990	6,206	6,442	6,666	6,901	7,144

4 * Sec. 5. COMPENSATORY PAYMENT. A compensatory payment, equal to three
5 and one-half percent of an officer's or employee's basic pay for the period
6 between December 16, 1984 and June 15, 1985, shall be paid to each officer
7 or employee covered by AS 16.43.060, AS 22.05.140(a), AS 22.07.090(a),
8 AS 22.10.190(a), AS 22.15.220(a), AS 22.15.220(b), AS 39.20.080(a), AS 39.-
9 20.080(b), AS 39.27.011(a), or AS 42.05.091, for any base pay earned during
10 that period.

11 * Sec. 6. EMPLOYEES OF THE JUDICIAL AND LEGISLATIVE BRANCHES. (a) The
12 following employees are entitled to receive salary adjustments comparable
13 to those received by the classified and partially exempt employees of the
14 executive branch under AS 39.27.011(a) as that subsection is reenacted in
15 sec. 4 of this Act:

16 (1) permanent and temporary employees of the judicial branch;

17 (2) permanent employees of the legislative branch, the chief
18 clerk of the house of representatives and employees of the office of the
19 chief clerk, and the senate secretary and employees of the office of the
20 senate secretary;

21 (3) permanent and temporary employees of the executive branch
22 who are in the exempt service under AS 39.25, who are not members of a
23 collective bargaining unit established under the Public Employment Rela-
24 tions Act (AS 23.40), and who are not otherwise statutorily covered by
25 AS 39.27.011(a).

26 (b) The employees described in (a) of this section are entitled to
27 receive compensatory payments comparable to those received under sec. 5 of
28 this Act.

29 * Sec. 7. EMPLOYEES OF THE UNIVERSITY OF ALASKA. The employees of the

1 University of Alaska who are not members of a collective bargaining unit
2 are entitled to receive salary increases in accordance with the compensa-
3 tion policy of the board of regents of the University of Alaska.

4 * Sec. 8. Sections 1 - 4, 6, and 7 of this Act take effect July 16,
5 1985.

6 * Sec. 9. Section 5 of this Act takes effect August 1, 1985.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

112

*DL
4/8/84*

Revision Date: _____

REQUEST

Bill/Resolution No.: IS HB 243 (Fin)
 Title: Compensation of Employees
not covered by collective bargaining
 Sponsor: Rules/Governor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Office of the Governor
 Program Category Affected: Salary & Benefit
Increases
 BRU, Program or Subprogram(s) Affected:
Non-covered employees, excluding elected
officials

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		13,080.8				
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		13,080.8				

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		12,143.6				
FEDERAL FUNDS		48.1				
OTHER		889.1				
TOTAL		13,080.8				

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Funds salary and benefit increases for non-covered employees (except elected officials) in the executive, judicial and legislative branches; funded at the 80% General Fund and 100% Federal and other Funds support levels.

*Prepared By: Michael Greany, Director
 Division: Legislative Finance Division

MG

Phone: 465-3795
 Date: 5/10/85

Approved by Commissioner: _____
 Agency: _____

Date: _____

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

* As the result of legislative action...

A/B

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Sup 46

Revision Date: _____

REQUEST
Bill/Resolution No.: HB 243
Title: An Act relating to Compensation
of Legislators
Sponsor: Katie Hurley
Requestor: Katie Hurley per Patti Macklin
Date of Request: 1/25/85 3:15 pm

FISCAL DETAIL
Agency Affected: Legislative Affairs
Program Category Affected: General Government
BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	-0-	<1,108.7>				
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		<1,108.7>				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		<1,108.7>				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Repealing the legislators pay raise of 1983 would be a cost savings of \$1,108.7. This includes 1) reducing their monthly salary from \$3,900 a month (Range 22A) to \$1,757 a month (Range 10A) 2) re-instating per diem during session \$80 a day per diem x 120 days x 57 legislators and \$60 a day per diem x 120 days x 3 legislators.

Pamela A. Calhoon

Prepared By: Pamela A. Calhoon, Manager
Division: Administrative Services
Approved by Dep. Exec. Director: Don Fisher
Agency: Legislative Affairs Agency

Phone: 465-3850
Date: 1/28/85
Date: _____

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

.7/1/84

A/B

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

Page 1 of 2

REQUEST

Bill/Resolution No.: HB 243 No 1
Title: An Act Relating to
Compensation of Public Officers
Sponsor: _____
Requestor: _____
Date of Request: _____

FISCAL DETAIL

Agency Affected: Alaska Court System
Program Category Affected: _____
Administration of Justice
BRU, Program or Subprogram(s) Affected: _____
Appellate Courts, Trial Courts,
Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		1,881.3	1,394.7	1,394.7	1,394.7	1,394.7
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		1,881.3	1,394.7	1,394.7	1,394.7	1,394.7
<input type="checkbox"/> CAPITAL						
<input type="checkbox"/> REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		1,881.3	1,394.7	1,394.7	1,394.7	1,394.7
FEDERAL FUNDS						
OTHER						
TOTAL		1,881.3	1,394.7	1,394.7	1,394.7	1,394.7

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Robert G. Fisher, Fiscal Officer
Division: Alaska Court System

Phone: 264-0561
Date: 2/5/85

Approved by Commissioner: [Signature]
Agency: Alaska Court System

Date: 2/5/84

OFFICE OF
MANAGEMENT & BUDGET

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

FEB 7 1984

DIRECTOR

12/1/83

No 1
HB 243 page 2 of 2
ALASKA COURT SYSTEM

FY 85 & FY 86 SALARY INCREASE
FISCAL IMPACT

The proposed increase in salaries of 3.5% in fiscal year and 5% in fiscal year 1986 will have the following effect on the Alaska Court System:

FY 85

Retroactive payment for period 1/1/85 to 6/30/85:

Salaries	\$345,144
Benefits (See Note 1)	<u>141,462</u>
Total	<u>\$486,606</u>

FY 86

For period 7/1/85 through 6/30/86:

Salaries	\$ 986,126
Benefits	<u>408,555</u>
Total	<u>\$1,394,681</u>

Note 1: Adjusted to reflect actual Supplemental Benefits System costs for period.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST Page 1 of 3
Bill/Resolution No.: HB 243 No 2
Title: Compensation of Non-covered State Employees
Sponsor: _____
Requestor: _____
Date of Request: _____

FISCAL DETAIL
Agency Affected: All Agencies
Program Category Affected: _____
BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		12,780.3	9,605.5	9,605.5	9,605.5	9,605.5
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING						

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	11,843.1				
FEDERAL FUNDS	48.1				
OTHER	889.1				
TOTAL	12,780.3				

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: Attach a separate page if necessary

See attachment.

Prepared By: David Gentry Phone: 465-3568
Division: Budget Review Date: 2/22/85

Approved by Commissioner: [Signature] Date: 2/22/85
Agency: Office of Management and Budget

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Non-Covered employees are those not represented by a labor relations bargaining unit. The same rates and conditions are applied to these employees as were awarded the General Government and the Supervisory bargaining units. The regular FY 86 salary increase is five percent. In addition, a lump sum payment, called compensatory payment, will be made in early FY 86 retroactively covering the last six months of FY 85. The compensatory payment is a one-time payment that will not be perpetuated in an agency base budget in future years.

Negotiations over conflicting methods of assigning funding sources to the University salary increase are continuing between the University of Alaska and the Office of the Governor.

FY 86 Non-Covered Employees Salary Increase
(in thousands of dollars)

AGENCY	5% FY 86 Salary Increase	3.5% One- time Compen- satory Payment	Total
Office of the Governor	\$ 577.2	\$ 199.9	\$ 777.1
Administration	388.7	136.0	524.7
Law	692.2	242.3	934.5
Revenue	237.8	83.2	321.0
Education	173.4	60.7	234.1
Health and Social Services	125.0	43.8	168.8
Labor	34.0	11.9	45.9
Commerce and Economic Development	496.5	173.8	670.3
Military and Veterans' Affairs	27.5	9.6	37.1
Natural Resources	117.7	41.2	158.9
Fish and Game	158.6	55.5	214.1
Public Safety	49.3	17.3	66.6
Environmental Conservation	32.7	11.5	44.2
Community and Regional Affairs	47.2	16.5	63.7
Corrections	42.4	14.8	57.2
Transportation and Public Facilities	148.9	52.1	201.0
University of Alaska	6,256.4	2,004.7	8,261.1
	<hr/>	<hr/>	<hr/>
TOTAL	\$ 9,605.5	\$ 3,174.8	\$ 12,780.3

Funding Sources:

Federal Funds	\$ 48.1
General Fund Match	17.5
General Fund	11,825.6
Inter-Agency Receipts	339.2
Highway Working Capital Fund	1.6
International Airport Revenue Fund	13.3
Program Receipts	291.9
Public Employees Retirement Fund	16.0
Teacher's Retirement System Fund	10.3
Veteran's Revolving Loan Fund	2.0
Commercial Fishing Loan Fund	0.7
CIP Receipts	214.1
	<hr/>
TOTAL	\$ 12,780.3

STATE OF ALASKA, 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 243 No 3
Title: An Act relating to compensation of state officers and employees
Sponsor: Rules Comte by request Governor
Requestor: Office of Management & Budget
Date of Request: 2/6/85

FISCAL DETAIL

Agency Affected: Legislative Affairs
Program Category Affected: General Government
BRU, Program or Subprogram(s) Affected:
1) Legislative Budget & Audit Committee
2) Legislature
3) Ombudsman

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		1,677.3				
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		1,677.3				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		1,677.3				
FEDERAL FUNDS						
OTHER						
TOTAL		1,677.3				

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

The above figure of \$1,677.3 represents a total cost to the Legislative Branch in respect to a 5% pay increase for FY 86 and a 3.5% compensatory payment for December 16, 1984 to June 15, 1985. The \$1,677.3 is broken out as follows:

Legislative Affairs Agency	\$1,284.4	Legislative Finance	\$ 145.4
Legislative Budget & Audit	152.1	Ombudsman	95.4
			TOTAL LEGISLATIVE BRANCH - \$1,677.3

Prepared By: Pamela A. Calhoun, Manager Phone: 465-3850
Division: Administrative Services Date: 2/6/85

Approved by Dep. Exec. Director: Don Fisher Date: 2/6/85
Agency: Legislative Affairs Agency

Distribution (by Agency preparing fiscal note):

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

00
3/11

HOUSE FINANCE COMMITTEE

LETTER OF INTENT

FOR

CSHB243 (Finance)

It is the intent of the legislature that negotiated salary schedules for employees covered by collective bargaining agreements and salary schedules for non-covered employees are approved and will be paid. For FY86, eighty percent of general fund support requirements are funded. Funding requirements from other fund sources are fully funded.

Albert P. Adams

Al Adams, Chairman
House Finance Committee

SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

NR 243

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill to provide salary adjustments for state officers and employees not covered by a collective bargaining agreement. This bill provides a salary increase in three steps: a lump sum, three and one-half percent "compensatory payment," payable after August 1, 1985, covering the period from December 16, 1984 through June 15, 1985; a five percent increase for the period from July 16, 1985 through July 15, 1986; and an additional four percent increase for the period July 16, 1986 through July 15, 1987. Following past practice for a number of years, these increases parallel those provided for in the current collective bargaining agreement for the general government unit.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Bill Sheffield
Governor

COMMITTEE REPORT

HOUSE

(11)

5/9/85

FURTHER:

Date: _____

The Committee on FINANCE has had HB 247

"An Act relating to games of chance and contests of skill; and providing for an effective date."

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

COMMITTEE REPORT
HOUSE

5/9

(7)

FURTHER: FINANCE

4/4/85

Date: _____

The Committee on JUDICIARY has had HB 247

"An Act relating to games of chance and contests of skill; and providing for an effective date."

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 247 (JUD) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without ^{indiv} recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

W. H. Hill

Adrian L. Taylor

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Roll & Roll No Rec.

Roll & Roll No Rec.

Roll & Roll No Rec.

W. H. Hill

CHAIRMAN

4/4

COMMITTEE REPORT

HOUSE

JUDICIARY

(7)

FURTHER: FINANCE

2/27/85

Date: April 2, 1985

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 247

"An Act relating to games of chance and contests of skill; and providing for an effective date."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 247 (SA) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" ~~NO~~ Fiscal Note Sup 41
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

HURLEY Katie Hurley

M. MILLER Mike Miller

NAVARRE Mike Navarre - no rec

JENKINS Roger L Jenkins No Rec

COLLINS [Signature]

BOUCHER Pat Boucher No Rec

CATO Bette Cato No Rec

Katie Hurley
CHAIRMAN

Bannister

Offered: 5/9/85
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 247 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 * Section 1. AS 05.15.020 is amended to read:

10 Sec. 05.15.020. ANNUAL PERMIT AND FEE. An activity permitted
11 under this chapter may not be conducted by a municipality or a quali-
12 fied organization, and a raffle may not be conducted by a political
13 organization, unless an annual permit issued by the department is
14 first obtained and a fee of \$50 [\$20] is paid to the department. [AN
15 ADDITIONAL FEE OF ONE PER CENT OF THE NET PROCEEDS SHALL BE PAID BY
16 EACH PERMITTEE ANNUALLY. THIS FEE IS DUE AND PAYABLE AT THE SAME TIME
17 AS THE ANNUAL FINANCIAL STATEMENT.]

18 * Sec. 2. AS 05.15.020 is amended by adding new subsections to read:

19 (b) An activity permitted under this chapter, except a raffle
20 permitted under AS 05.15.100(c), may be conducted by an operator for a
21 municipality or qualified organization if an annual operator's permit
22 is obtained from the department, a fee of \$200 is paid to the depart-
23 ment, and a bond or other security acceptable to the department is
24 filed with the department in an amount equal to 10 percent of esti-
25 mated gross receipts from all activities to be conducted by the opera-
26 tor in the calendar year. The operator's permit is in addition to the
27 permit required to be obtained by the municipality or qualified orga-
28 nization on whose behalf the operator conducts the activity.

29 (c) An additional fee of one and one-half percent of the gross

1 receipts, less the value of prizes awarded, from an activity permitted
2 under this chapter shall be paid to the department annually by the
3 municipality, qualified organization, or political organization au-
4 thorized to conduct the activity, except that an operator is liable
5 for and shall pay to the department the additional fee for activities
6 conducted by the operator on behalf of a municipality or qualified
7 organization.

8 * Sec. 3. AS 05.15 is amended by adding a new section to read:

9 Sec. 05.15.025. BOND CONDITIONS AND FORFEITURE. (a) The bond
10 or security filed under AS 05.15.020(b) must be made payable to the
11 department and must be conditioned upon payment to the department of
12 the fee required by AS 05.15.020(c) and payment to the authorizing
13 permittee of net proceeds as required by AS 05.15.165(b). If the
14 operator fails to make the required payments, the operator forfeits
15 the bond or security to the department.

16 (b) The amount forfeited under (a) of this section shall be
17 first used to satisfy delinquent fees, interest, and penalties due the
18 department under this chapter. If the amount forfeited is not ex-
19 hausted by payment of delinquent fees, interest, and penalties, the
20 department may use the remaining amount to pay net proceeds due an
21 authorizing permittee. The total amount available for payment of net
22 proceeds shall be prorated among the permittees to whom proceeds are
23 due from that operator.

24 * Sec. 4. AS 05.15.030 is repealed and reenacted to read:

25 Sec. 05.15.030. NOTIFICATION OF LOCAL GOVERNMENTS, REQUIRED
26 APPROVALS, AND PROTESTS. (a) At the time of filing an initial or
27 renewal application for a permit, a qualified organization shall
28 notify the local government of the proposed activity of the applica-
29 tion and the location where the proposed activity will be conducted.

1 (b) Local government approval by resolution is required for
2 three activities: bingo games, pull-tabs, and special-draw games. The
3 commissioner may not issue a permit to a qualified organization for
4 these activities in a jurisdiction that has not approved the activity.
5 The qualified organization shall include evidence of approval with its
6 initial application.

7 (c) A local government may protest issuance of a permit for
8 activities other than those described in (b) of this section, and the
9 renewal of a permit for an activity that requires approval under (b)
10 of this section, by filing with the commissioner a resolution stating
11 the reasons for the protest. A protest may be based on the organiza-
12 tion's lack of qualifications for a permit or a finding that the
13 proposed activity is not in the best interests of the public. The
14 commissioner may consider the protest resolution in the determination
15 to issue or renew a permit.

16 (d) If a permittee changes the location of an activity in the
17 jurisdiction for which a permit has been issued, the permittee shall
18 notify the department and the local government within 30 days after
19 moving to the new location.

20 (e) To conduct an activity in an additional jurisdiction, a
21 permittee shall file an application with the department and shall
22 notify the local government of the proposed activity. An activity may
23 not be conducted in an additional jurisdiction until approval from the
24 commissioner is obtained.

25 (f) The commissioner may limit the locations in which activities
26 under this chapter may be conducted.

27 (g) To conduct an activity at a location that is more than five
28 miles from a local government or that is within the unorganized bor-
29 ough, a qualified organization, in accordance with the procedures

1 established by the commissioner, shall obtain the approval of the
2 commissioner, and is not required to comply with (a) - (e) of this
3 section.

4 * Sec. 5. AS 05.15.060 is repealed and reenacted to read:

5 Sec. 05.15.060. REGULATIONS. In accordance with the Administra-
6 tive Procedure Act (AS 44.62), the commissioner shall adopt regula-
7 tions necessary to implement this chapter, including regulations on
8 the control and issuance of permits, authorized expenses, investi-
9 gations and audits, recordkeeping and accounting, bond and security
10 forfeiture, prizes, equipment, suspension and revocation of permits
11 and licenses, definition of special-draw games, distribution of pull-
12 tabs, and other matters that the commissioner considers necessary.

13 * Sec. 6. AS 05.15.070 is amended to read:

14 Sec. 05.15.070. COMMISSIONER OF REVENUE MAY EXAMINE PERMITTEES.
15 The commissioner may examine or have examined the books and records of
16 a permittee, including a political organization and an operator, and
17 the books and records of a person licensed to distribute pull-tab
18 games in the state [THE COMMISSIONER MAY REQUIRE THE PERMITTEE TO PAY
19 THE REASONABLE COST OF THE EXAMINATION]. The commissioner may issue
20 subpoenas for the attendance of witnesses and the production of books,
21 records, and other documents.

22 * Sec. 7. AS 05.15.080 is repealed and reenacted to read:

23 Sec. 05.15.080. REPORTS REQUIRED OF AND PAYMENT OF FEE BY MUNI-
24 CIPALITIES, QUALIFIED ORGANIZATIONS, AND POLITICAL ORGANIZATIONS. (a)
25 A municipality or a qualified organization issued a permit to conduct
26 an activity authorized under this chapter shall file a report with the
27 department no later than the last business day of the month following
28 the month in which the activity was conducted. A political organiza-
29 tion that has been issued a permit to conduct a raffle shall file a

1 report with the department no later than the last business day of the
2 month when the raffle was completed. The report must include the type
3 of activity conducted, the date and location of the activity, the
4 amount of gross receipts, the amount of authorized expenses, the value
5 of prizes awarded, the amount of net proceeds, and other information
6 the commissioner may require by regulation.

7 (b) In addition to the reports required by (a) of this section,
8 a municipality, qualified organization, and political organization
9 issued a permit to conduct an activity authorized under this chapter
10 shall file an annual report with the department no later than Janu-
11 ary 31 of the year following the year in which activities were con-
12 ducted, accompanied by the payment of the additional fee required by
13 AS 05.15.020(c). The report must list the types of activities
14 conducted, and, for each activity, the total amount of gross receipts,
15 the total amount of authorized expenses, the total value of prizes
16 awarded, and the total amount of net proceeds. The report must also
17 include the disposition or intended disposition of the net proceeds.
18 If a municipality or qualified organization authorizes an operator to
19 conduct activities on its behalf, it shall include in its annual
20 report each activity conducted on its behalf, the name of the operator
21 conducting the activity, the date and location of each activity, and
22 the net proceeds received from the operator for each activity.

23 * Sec. 8. AS 05.15 is amended by adding a new section to read:

24 Sec. 05.15.085. REPORTS REQUIRED OF AND PAYMENT OF FEE BY OPERA-
25 TORS. (a) An operator shall file a report with the department no
26 later than the last business day of the month following the month in
27 which an activity was conducted. For each municipality and qualified
28 organization on whose behalf an activity was conducted, the report
29 must include the date and location of each activity, the type of

1 activity conducted, the amount of gross receipts, the amount of au-
2 thorized expenses, the value of prizes awarded, the amount of net
3 proceeds paid, and other information the commissioner may require by
4 regulation.

5 (b) An operator shall file an annual report with the department
6 no later than January 31 of the year following the year in which
7 activities were conducted, accompanied by the payment of the addition-
8 al fee required by AS 05.15.020(c). The report must list the types of
9 activities conducted, the municipalities and qualified organizations
10 on whose behalf the activities were conducted, the total amount of
11 gross receipts, the total amount of authorized expenses, the total
12 value of prizes awarded, and the total amount of net proceeds paid to
13 each municipality and qualified organization.

14 * Sec. 9. AS 05.15 is amended by adding a new section to read:

15 Sec. 05.15.095. GENERAL PROVISIONS RELATING TO THE FILING OF
16 REPORTS AND PAYMENT OF FEES. (a) The applications and reports re-
17 quired by this chapter must be filed and executed under penalty of
18 perjury and signed by the following, as applicable:

19 (1) a bona fide member in good standing of the qualified
20 organization;

21 (2) a person authorized to sign on behalf of the municipal-
22 ity;

23 (3) the candidate or campaign treasurer of the political
24 organization;

25 (4) the operator; or

26 (5) the person licensed to distribute pull-tab games in the
27 state.

28 (b) Upon a showing of reasonable cause for delay, the commis-
29 sioner may grant an extension, not exceeding 30 days, for the filing

1 of a report required under this chapter. An extension of time for the
2 payment of a fee may not be granted.

3 (c) A permittee may not conduct an activity under this chapter
4 during a period in which a report or fee is delinquent.

5 (d) A delinquent fee bears interest at the rate set by AS 43.-
6 05.225.

7 * Sec. 10. AS 05.15.100(a) is amended to read:

8 (a) The commissioner [OF REVENUE] may issue a permit to a muni-
9 cipality or qualified organization. The permit gives the municipality
10 or organization the privilege of conducting bingo, raffles and lotter-
11 ies, ice classics, rain classics, and dog mushers' contests [, FISH
12 DERBIES AND CONTESTS OF SKILL].

13 * Sec. 11. AS 05.15.100 is amended by adding new subsections to read:

14 (c) The commissioner may issue a permit to conduct a raffle to a
15 political organization. No more than six raffles may be conducted by
16 a political organization in a calendar year. An operator's permit may
17 not be issued under (d) of this section for a raffle permitted under
18 this subsection.

19 (d) The commissioner may issue an operator's permit to a natural
20 person authorized by a municipality or a qualified organization to
21 conduct an activity permitted under this chapter on its behalf. The
22 commissioner may also issue an operator's permit to a municipality or
23 a qualified organization authorized by another municipality or qual-
24 ified organization to conduct an activity on its behalf.

25 * Sec. 12. AS 05.15.120 is amended to read:

26 Sec. 05.15.120. ELIGIBILITY FOR PERMIT. An applicant shall be a
27 municipality or qualified organization to be eligible for a permit,
28 except that a raffle permit may be issued to a political organization
29 under AS 05.15.100(c), and an operator's permit may be issued to a

1 natural person under AS 05.15.100(d).

2 * Sec. 13. AS 05.15.140(a) is amended to read:

3 (a) The commissioner [OF REVENUE] may not issue or renew a
4 permit except on [UPON] satisfactory proof that (1) the applicant is a
5 municipality, a [OR] qualified organization, or an operator; (2) the
6 activity may be permitted under this chapter; [,] and (3) the issuance
7 of a permit is not detrimental to the best interests of the public.
8 On [UPON] request of the commissioner [OF REVENUE], the applicant
9 shall prove conclusively each of these requirements before a permit
10 may be issued or renewed.

11 * Sec. 14. AS 05.15.140(b) is amended to read:

12 (b) In an application for a permit, a municipality, a [OR]
13 qualified organization, or an operator shall disclose the name and
14 address of each person responsible for the operation of the activity
15 and whether a [ANY] person named

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

18 (2) has a [PROHIBITED] financial interest [, AS DEFINED IN
19 REGULATIONS ADOPTED BY THE COMMISSIONER,] in the operation of the
20 activity except that an operator may be paid compensation for services
21 rendered.

22 * Sec. 15. AS 05.15.140(c) is repealed and reenacted to read:

23 (c) The commissioner may not issue a permit for an activity that
24 is conducted by

25 (1) an operator who has been convicted of a felony or a
26 gambling misdemeanor or who has a financial interest in the activity
27 other than being paid compensation for services rendered;

28 (2) a person whose name and address must be disclosed under
29 (b) of this section who has been convicted of a felony or gambling

1 misdemeanor or who has a financial interest in the activity other than
2 being paid compensation for services rendered.

3 * Sec. 16. AS 05.15.160 is amended to read:

4 Sec. 05.15.160. AUTHORIZED EXPENSES. The only expenses that [NO
5 ITEM OF EXPENSE] may be incurred or paid in connection with the opera-
6 tion of an activity under a permit issued under this chapter are
7 [EXCEPT FOR] bona fide expenses reasonably necessary for

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

10 (2) personal services [RENDERED THAT ARE NOT DIRECTLY OR
11 INDIRECTLY] involved with the operation of the activity, including
12 those [; OR

13 (3) PERSONAL SERVICES INVOLVED WITH THE OPERATION OF THE
14 ACTIVITY PROVIDED THE SERVICES ARE] performed by

15 (A) an employee of the permittee; [MUNICIPALITY, QUALI-
16 FIED ORGANIZATION,] or

17 (B) a consultant hired by the permittee [MUNICIPALITY
18 OR QUALIFIED ORGANIZATION] conducting the activity [AND THE
19 COMPENSATION IS NOT RELATED TO THE RECEIPTS FROM THE ACTIVITY].

20 * Sec. 17. AS 05.15.160 is amended by adding a new subsection to read:

21 (b) The expenses authorized by (a) of this section may not
22 exceed 25 percent of a permittee's annual gross receipts from the
23 authorized activity.

24 * Sec. 18. AS 05.15 is amended by adding new sections to read:

25 Sec. 05.15.163. NET PROCEEDS. The annual net proceeds of a
26 qualified organization from activities authorized under this chapter
27 may not be less than 15 percent of the organization's annual gross
28 receipts from the activities.

29 Sec. 05.15.165. OPERATORS. (a) An operator may not operate an

1 activity for more than one authorizing permittee in a 24-hour period.

2 (b) An operator shall pay the authorizing permittee the net
3 proceeds from an activity within 15 calendar days after the date of
4 the activity. The payment shall be made by check, and the operator
5 shall obtain a signed receipt from the authorizing permittee. The
6 authorizing permittee shall keep a copy of the receipt for its re-
7 cords.

8 (c) An authorizing permittee shall designate a representative as
9 its agent to work with the operator. The representative of a quali-
10 fied organization shall be a bona fide member in good standing of the
11 organization. The representative is entitled to access to all books
12 and records of the operator relating to the activity conducted by the
13 operator for the authorizing permittee. The commissioner may order
14 the production of the books and records of an operator if the operator
15 does not voluntarily make them available to the representative.

16 (d) If the department finds that an operator has incurred ex-
17 penses that are not authorized under AS 05.15.160(a), or has incurred
18 expenses in excess of the amount authorized under AS 05.15.160(b), or
19 has paid an authorizing permittee less than the minimum amount of net
20 proceeds required by AS 05.15.163, the department shall order the
21 operator to refund to the authorizing permittee the amount of the
22 unauthorized expenses, or the difference between the minimum amount of
23 net proceeds set under AS 05.15.163 and the amount of the net proceeds
24 actually paid, whichever is greater. The operator shall pay the
25 authorizing permittee interest on the amount ordered to be paid at the
26 rate of 1.5 percent a month for each month or fraction of a month
27 between the date of the activity and the date the refund is made.

28 (e) The name of the operator and the name of each authorizing
29 permittee on whose behalf an activity is conducted must be disclosed

1 in each advertisement of an activity. The operator shall post its
2 operator's permit and a copy of the permit of the authorizing per-
3 mittee at the location of the activity.

4 * Sec. 19. AS 05.15.180(a) is amended to read:

5 (a) This [EXCEPT AS PROVIDED IN AS 05.15.100(b), THIS] chapter
6 does not authorize the use of [PLAYING CARDS, DICE, ROULETTE WHEELS,
7 COIN-OPERATED] instruments, [OR] machines, or other objects [OR IN-
8 STRUMENTS] used, designed, or intended primarily for gaming or gam-
9 bling unless [OR ANY OTHER METHOD OR IMPLEMENT NOT] expressly au-
10 thorized by regulation and used in an activity authorized under this
11 chapter [THE COMMISSIONER].

12 * Sec. 20. AS 05.15 is amended by adding a new section to read:

13 Sec. 05.15.185. PULL-TAB GAMES. (a) A person may not dis-
14 tribute pull-tab games to another person in this state for use within
15 this state, unless the person first obtains a license from the commis-
16 sioner authorizing that person to distribute pull-tab games in the
17 state.

18 (b) All pull-tabs distributed in the state by a person licensed
19 by the commissioner shall be numbered, and each set of pull-tabs shall
20 be sealed and marked with a numbered label purchased by the licensee
21 from the department.

22 (c) A person licensed under this section may distribute pull-tab
23 games only to a municipality or a qualified organization that has
24 obtained a permit authorizing it to conduct a pull-tab game under this
25 chapter.

26 (d) A person licensed by the commissioner to distribute pull-tab
27 games in the state shall

28 (1) pay an annual fee of \$1000; and

29 (2) report, as required by the commissioner, for all pull-

1 tab games distributed in the state, the name of the permittee to whom
2 the games are distributed, the numbers on the pull-tabs, and the
3 number on the label marking each set of pull-tabs.

4 (e) The commissioner may suspend or revoke a license issued
5 under this section if the licensee fails to comply with the require-
6 ments of this section.

7 (f) In this section, "distribute" means to sell, distribute,
8 furnish, or supply.

9 * Sec. 21. AS 05.15.200(b) is repealed and reenacted to read:

10 (b) If a person wilfully makes and signs an application, report
11 or other document required under this chapter that contains a written
12 declaration that it is made under the penalty of perjury and the
13 person does not believe the declaration to be true, the person is
14 guilty of perjury.

15 * Sec. 22. AS 05.15.210(6) is amended to read:

16 (6) "dog mushers' contest" means a game of chance [CONTEST]
17 in which prizes are awarded for the correct guess of the racing time
18 of a dog team or of team position in the race [, INCLUDING PRIZES TO
19 THE RACE CONTESTANTS];

20 * Sec. 23. AS 05.15.210(12) is amended to read:

21 (12) "ice classic" means a game of chance in which a prize
22 of money is awarded for the closest guess of the time the ice moves in
23 a body of water or watercourse in the state [AND IS LIMITED TO THE
24 NENANA AND CHENA ICE POOLS IN THE SAME MANNER AS THEY WERE CONDUCTED
25 IN 1959 AND PREVIOUS YEARS];

26 * Sec 24. AS 05.15.210(15) is repealed and reenacted to read:

27 (15) "net proceeds" means the gross receipts from an autho-
28 rized activity less the fee described in AS 05.15.020(c), the expenses
29 authorized by AS 05.15.160(a), and the prizes awarded at the activity;

1 * Sec. 25. AS 05.15.210(18) is repealed and reenacted to read:

2 (18) "political organization" means a candidate who, or a
3 group that, has registered and filed with the Alaska Public Offices
4 Commission as required by AS 15.13.050 and 15.13.060, or a candidate
5 for nomination or election to the Presidency or the Vice-Presidency of
6 the United States or the U.S. Congress, or an authorized committee of
7 a candidate for national office;

8 * Sec. 26. AS 05.15.210(19) is repealed and reenacted to read:

9 (19) "qualified organization" means a domestic corporation
10 organized under AS 10.20 that has been in existence for three years
11 after the issuance of its certificate of incorporation, a religious
12 corporation formed under AS 10.40 that has been in existence for three
13 years after the date of filing its articles of incorporation, a labor
14 organization that has been in existence for three years, or a politi-
15 cal party as defined in AS 15.60.010;

16 * Sec. 27. AS 05.15.210(20) is amended to read:

17 (20) "raffle and lottery" means the selling of rights to
18 participate, and the awarding of prizes [, IN THE SPECIFIED KINDS OF
19 GAMES OF CHANCE SOMETIMES KNOWN AS PULL-TAB GAMES IN WHICH THE PRICE
20 OF EACH CHANCE IS \$2 OR LESS AND] in the specified kind of game of
21 chance sometimes known as a raffle or lottery, conducted by the draw-
22 ing for prizes by chance;

23 * Sec. 28. AS 05.15.210 is amended by adding new paragraphs to read:

24 (24) "authorizing permittee" means a municipality or qual-
25 ified organization that authorizes an operator to conduct on its
26 behalf an activity subject to this chapter;

27 (25) "commissioner" means the commissioner of revenue;

28 (26) "department" means the Department of Revenue;

29 (27) "established village" means an unincorporated community

1 where 25 or more people reside permanently as a social unit;

2 (28) "local government" means an established village or
3 municipality, except for the unorganized borough, that covers or is
4 within five miles of the site of an activity that is the subject of a
5 permit or application for a permit under this chapter;

6 (29) "operator" means a natural person who, or a municipal-
7 ity or qualified organization that, has obtained a permit authorizing
8 it to operate an activity subject to this chapter on behalf of another
9 permittee;

10 (30) "pull-tab game" means a game of chance where a card,
11 the face of which is covered to conceal a number, symbol, or set of
12 symbols, is purchased by the participant for a price of \$2 or less and
13 where a prize is awarded for a card containing certain numbers or
14 symbols designated in advance and at random.

15 * Sec. 29. AS 05.15.180(b), 05.15.210(2), (3), (4), (5), (7), (8), (9),
16 (10), (17), (22), and (23) are repealed.

Offered: 4/4/85
Referred: Judiciary and
Finance

Permitter

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 247 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to games of chance and contests of
7 skill, and providing for an effective date."

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

9 * Section 1. AS 05.15.020 is amended to read:

10 Sec. 05.15.020. ANNUAL PERMIT AND FEE. An activity permitted
11 under this chapter may not be conducted by a municipality or a quali-
12 fied organization, and a raffle may not be conducted by a political
13 organization, unless an annual permit issued by the department is
14 first obtained and a fee of \$50 [~~\$20~~] is paid to the department. [AN
15 ADDITIONAL FEE OF ONE PER CENT OF THE NET PROCEEDS SHALL BE PAID BY
16 EACH PERMITTEE ANNUALLY. THIS FEE IS DUE AND PAYABLE AT THE SAME TIME
17 AS THE ANNUAL FINANCIAL STATEMENT.]

18 * Sec. 2. AS 05.15.020 is amended by adding new subsections to read:

19 (b) An activity permitted under this chapter, except a raffle
20 permitted under AS 05.15.100(c), may be conducted by an operator for a
21 municipality or qualified organization if an annual operator's permit
22 is obtained from the department, a fee of \$200 is paid to the depart-
23 ment, and a bond or other security acceptable to the department is
24 filed with the department in an amount equal to 10 percent of esti-
25 mated gross receipts from all activities to be conducted by the opera-
26 tor in the calendar year. The operator's permit is in addition to the
27 permit required to be obtained by the municipality or qualified orga-
28 nization on whose behalf the operator conducts the activity.

29 (c) An additional fee of one and one-half percent of the gross

COMMITTEE COPY

1 receipts, less the value of prizes awarded, from an activity permitted
2 under this chapter shall be paid to the department annually by the
3 municipality, qualified organization, or political organization au-
4 thorized to conduct the activity, except that an operator is liable
5 for and shall pay to the department the additional fee for activities
6 conducted by the operator on behalf of a municipality or qualified
7 organization.

8 * Sec. 3. AS 05.15 is amended by adding a new section to read:

9 Sec. 05.15.025. BOND CONDITIONS AND FORFEITURE. (a) The bond
10 or security filed under AS 05.15.020(b) must be made payable to the
11 Department of Revenue and must be conditioned upon payment to the
12 department of the fee required by AS 05.15.020(c) and payment to the
13 authorizing permittee of net proceeds as required by AS 05.15.165(b).
14 If the operator fails to make the required payments, the operator
15 forfeits the bond or security to the department.

16 (b) The amount forfeited under (a) of this section shall be
17 first used to satisfy delinquent fees, interest, and penalties due the
18 department under this chapter. If the amount forfeited is not ex-
19 hausted by payment of delinquent fees, interest, and penalties, the
20 department may use the remaining amount to pay net proceeds due an
21 authorizing permittee. The total amount available for payment of net
22 proceeds shall be prorated among the permittees to whom proceeds are
23 due from that operator.

24 * Sec. 4. AS 05.15.030 is repealed and reenacted to read:

25 Sec. 05.15.030. NOTIFICATION OF LOCAL GOVERNMENTS, REQUIRED
26 APPROVALS, AND PROTESTS. (a) At the time of filing an initial or
27 renewal application for a permit, a qualified organization shall
28 notify the local government nearest to the location of the proposed
29 activity of the application and the location where the proposed

1 activity will be conducted.

2 (b) Local government approval by resolution is required for
3 three activities: bingo games, pull-tabs, and special-draw games. The
4 commissioner may not issue a permit to a qualified organization for
5 these activities in a jurisdiction that has not approved the activity.
6 The qualified organization shall include evidence of approval with its
7 initial application.

8 (c) A local government may protest issuance of a permit for
9 activities other than those described in (b) of this section, and the
10 renewal of a permit for an activity that requires approval under (b)
11 of this section, by filing with the commissioner a resolution stating
12 the reasons for the protest. A protest may be based on the organiza-
13 tion's lack of qualifications for a permit or a finding that the
14 proposed activity is not in the best interests of the public. The
15 commissioner may consider the protest resolution in the determination
16 to issue or renew a permit.

17 (d) If a permittee changes the location of an activity in the
18 jurisdiction for which a permit has been issued, the permittee shall
19 notify the department and the local government within 30 days after
20 moving to the new location.

21 (e) To conduct an activity in an additional jurisdiction, a
22 permittee shall file an application with the department and shall
23 notify the local government nearest the location of the proposed
24 activity. An activity may not be conducted in an additional jurisdic-
25 tion until approval from the commissioner is obtained.

26 (f) The commissioner may limit the locations in which activities
27 under this chapter may be conducted.

28 (g) To conduct an activity at a location that is more than five
29 miles from the nearest local government or that is within the

1 unorganized borough, a qualified organization, in accordance with the
2 procedures established by the commissioner of revenue, shall obtain
3 the approval of the commissioner of revenue, and is not required to
4 comply with the requirements of (a) - (e) of this section.

5 * Sec. 5. AS 05.15.060 is repealed and reenacted to read:

6 Sec. 05.15.060. REGULATIONS. In accordance with the Administra-
7 tive Procedure Act (AS 44.62), the commissioner of revenue shall adopt
8 regulations necessary to implement this chapter, including regulations
9 on the control and issuance of permits, authorized expenses, investi-
10 gations and audits, recordkeeping and accounting, bond and security
11 forfeiture, prizes, equipment, suspension and revocation of permits
12 and licenses, definition of special-draw games, distribution of pull-
13 tabs, and other matters that the commissioner considers necessary.

14 * Sec. 6. AS 05.15.070 is amended to read:

15 Sec. 05.15.070. COMMISSIONER OF REVENUE MAY EXAMINE PERMITTEES.
16 The commissioner may examine or have examined the books and records of
17 a permittee, including a political organization and an operator, and
18 the books and records of a person licensed to distribute pull-tab
19 games in the state. [THE COMMISSIONER MAY REQUIRE THE PERMITTEE TO
20 PAY THE REASONABLE COST OF THE EXAMINATION]. The commissioner may
21 issue subpoenas for the attendance of witnesses and the production of
22 books, records, and other documents.

23 * Sec. 7. AS 05.15.080 is repealed and reenacted to read:

24 Sec. 05.15.080. REPORTS REQUIRED OF AND PAYMENT OF FEE BY MUNI-
25 CIPALITIES, QUALIFIED ORGANIZATIONS, AND POLITICAL ORGANIZATIONS. (a)
26 A municipality, qualified organization, and political organization
27 issued a permit to conduct an activity authorized under this chapter
28 shall file a report with the department no later than the last busi-
29 ness day of the month following the month in which the activity was

1 conducted. The report must include the type of activity conducted,
2 the date and location of the activity, the amount of gross receipts,
3 the amount of authorized expenses, the value of prizes awarded, the
4 amount of net proceeds, and other information the commissioner may
5 require by regulation.

6 (b) In addition to the reports required by (a) of this section,
7 a municipality, qualified organization, and political organization
8 issued a permit to conduct an activity authorized under this chapter
9 shall file an annual report with the department no later than
10 January 31 of the year following the year in which activities were
11 conducted, accompanied by the payment of the additional fee required
12 by AS 05.15.020(c). The report must list the types of activities
13 conducted, and, for each activity, the total amount of gross receipts,
14 the total amount of authorized expenses, the total value of prizes
15 awarded, and the total amount of net proceeds. The report must also
16 include the disposition or intended disposition of the net proceeds.
17 If a municipality or qualified organization authorizes an operator to
18 conduct activities on its behalf, it shall include in its annual
19 report each activity conducted on its behalf, the name of the operator
20 conducting the activity, the date and location of each activity, and
21 the net proceeds received from the operator for each activity.

22 * Sec. 8. AS 05.15 is amended by adding a new section to read:

23 Sec. 05.15.085. REPORTS REQUIRED OF AND PAYMENT OF FEE BY OPERA-
24 TORS. (a) An operator shall file a report with the department no
25 later than the last business day of the month following the month in
26 which an activity was conducted. For each municipality and qualified
27 organization on whose behalf an activity was conducted, the report
28 must include the date and location of each activity, the type of
29 activity conducted, the amount of gross receipts, the amount of

1 authorized expenses, the value of prizes awarded, the amount of net
2 proceeds paid, and other information the commissioner may require by
3 regulation.

4 (b) An operator shall file an annual report with the department
5 no later than January 31 of the year following the year in which
6 activities were conducted, accompanied by the payment of the addition-
7 al fee required by AS 05.15.020(c). The report must list the types of
8 activities conducted, the municipalities and qualified organizations
9 on whose behalf the activities were conducted, the total amount of
10 gross receipts, the total amount of authorized expenses, the total
11 value of prizes awarded, and the total amount of net proceeds paid to
12 each municipality and qualified organization.

13 * Sec. 9. AS 05.15 is amended by adding a new section to read:

14 Sec. 05.15.095. GENERAL PROVISIONS RELATING TO THE FILING OF
15 REPORTS AND PAYMENT OF FEES. (a) The applications and reports re-
16 quired by this chapter must be filed under penalty of perjury and
17 signed by the following, as applicable:

18 (1) a bona fide member in good standing of the qualified
19 organization;

20 (2) a person authorized to sign on behalf of the municipal-
21 ity;

22 (3) the campaign treasurer of the political organization;

23 (4) the operator; or

24 (5) the person licensed to distribute pull-tab games in the
25 state.

26 (b) Upon a showing of reasonable cause for delay, the commis-
27 sioner may grant an extension, not exceeding 30 days, for the filing
28 of a report required under this chapter. An extension of time for the
29 payment of a fee may not be granted.

1 (c) A permittee may not conduct an activity under this chapter
2 during a period in which a report or fee is delinquent.

3 (d) A delinquent fee bears interest at the rate set by AS 43.-
4 05.225.

5 * Sec. 10. AS 05.15.100(a) is amended to read:

6 (a) The commissioner of revenue may issue a permit to a municipi-
7 pality or qualified organization. The permit gives the municipality
8 or organization the privilege of conducting bingo, raffles and lotter-
9 ies, ice classics, rain classics, and dog mushers' contests [, FISH
10 DERBIES AND CONTESTS OF SKILL].

11 * Sec. 11. AS 05.15.100 is amended by adding new subsections to read:

12 (c) The commissioner may issue a permit to conduct a raffle to a
13 political organization. No more than three raffles may be conducted
14 by a political organization in a calendar year. An operator's permit
15 may not be issued under (d) of this section for a raffle permitted
16 under this subsection.

17 (d) The commissioner may issue an operator's permit to a natural
18 person authorized by a municipality or a qualified organization to
19 conduct an activity permitted under this chapter on its behalf. The
20 commissioner may also issue an operator's permit to a municipality or
21 a qualified organization authorized by another municipality or qual-
22 ified organization to conduct an activity on its behalf.

23 * Sec. 12. AS 05.15.120 is amended to read:

24 Sec. 05.15.120. ELIGIBILITY FOR PERMIT. An applicant shall be a
25 municipality or qualified organization to be eligible for a permit,
26 except that a raffle permit may be issued to a political organization
27 under AS 05.15.100(c), and an operator's permit may be issued to a
28 natural person under AS 05.15.100(d).

29 * Sec. 13. AS 05.15.160 is amended to read:

1 Sec. 05.15.160. AUTHORIZED EXPENSES. The only expenses that [NO
2 ITEM OF EXPENSE] may be incurred or paid in connection with the opera-
3 tion of an activity under a permit issued under this chapter are
4 [EXCEPT FOR] bona fide expenses reasonably necessary for

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

7 (2) personal services [RENDERED THAT ARE NOT DIRECTLY OR
8 INDIRECTLY] involved with the operation of the activity , including
9 those [; OR

10 (3) PERSONAL SERVICES INVOLVED WITH THE OPERATION OF THE
11 ACTIVITY PROVIDED THE SERVICES ARE] performed by

12 (A) an employee of the permittee; [MUNICIPALITY, QUALI-
13 FIED ORGANIZATION,] or

14 (B) a consultant hired by the permittee [MUNICIPALITY
15 OR QUALIFIED ORGANIZATION] conducting the activity [AND THE
16 COMPENSATION IS NOT RELATED TO THE RECEIPTS FROM THE ACTIVITY].

17 * Sec. 14. AS 05.15.160 is amended by adding a new subsection to read:

18 (b) The expenses authorized by (a) of this section may not
19 exceed 25 percent of a permittee's annual gross receipts from the
20 authorized activity.

21 * Sec. 15. AS 05.15 is amended by adding new sections to read:

22 Sec. 05.15.163. NET PROCEEDS. The annual net proceeds of a
23 qualified organization from activities authorized under this chapter
24 may not be less than 25 percent of the organization's annual gross
25 receipts from the activities.

26 Sec. 05.15.165. OPERATORS. (a) An operator may not operate an
27 activity for more than one authorizing permittee in a 24-hour period.

28 (b) An operator shall pay the authorizing permittee the net
29 proceeds from an activity within 15 calendar days after the date of

1 the activity. The payment shall be made by check, and the operator
2 shall obtain a signed receipt from the authorizing permittee. The
3 authorizing permittee shall keep a copy of the receipt for its re-
4 cords.

5 (c) An authorizing permittee shall designate a representative as
6 its agent to work with the operator. The representative of a quali-
7 fied organization shall be a bona fide member in good standing of the
8 organization. The representative is entitled to access to all books
9 and records of the operator relating to the activity conducted by the
10 operator for the authorizing permittee. The commissioner may order
11 the production of the books and records of an operator if the operator
12 does not voluntarily make them available to the representative.

13 (d) If the department finds that an operator has incurred ex-
14 penses that are not authorized under AS 05.15.160(a), or has incurred
15 expenses in excess of the amount authorized under AS 05.15.160(b), or
16 has paid an authorizing permittee less than the minimum amount of net
17 proceeds required by AS 05.15.163, the department shall order the
18 operator to refund to the authorizing permittee the amount of the
19 unauthorized expenses, or the difference between the minimum amount of
20 net proceeds set under AS 05.15.163 and the amount of the net proceeds
21 actually paid, whichever is greater. The operator shall pay the
22 authorizing permittee interest on the amount ordered to be paid at the
23 rate of 1.5 percent a month for each month or fraction of a month
24 between the date of the activity and the date the refund is made.

25 (e) The name of the operator and the name of each authorizing
26 permittee on whose behalf an activity is conducted must be disclosed
27 in each advertisement of an activity. The operator shall post its
28 operator's permit and a copy of the permit of the authorizing per-
29 mittee at the location of the activity.

1 * Sec. 16. AS 05.15.180(a) is amended to read:

2 (a) This [EXCEPT AS PROVIDED IN AS 05.15.100(b), THIS] chapter
3 does not authorize the use of [PLAYING CARDS, DICE, ROULETTE WHEELS,
4 COIN-OPERATED] instruments, [OR] machines, or other objects [OR IN-
5 STRUMENTS] used, designed, or intended primarily for gaming or gam-
6 bling unless [OR ANY OTHER METHOD OR IMPLEMENT NOT] expressly au-
7 thorized by regulation and used in an activity authorized under this
8 chapter [THE COMMISSIONER].

9 * Sec. 17. AS 05.15 is amended by adding a new section to read:

10 Sec. 05.15.185. PULL-TAB GAMES. (a) A person may not dis-
11 tribute pull-tab games to another person in this state for use within
12 this state, unless the person first obtains a license from the commis-
13 sioner authorizing that person to distribute pull-tab games in the
14 state.

15 (b) All pull-tabs distributed in the state by a person licensed
16 by the commissioner shall be numbered, and each set of pull-tabs shall
17 be sealed and marked with a numbered label purchased by the licensee
18 from the department.

19 (c) A person licensed under this section may distribute pull-tab
20 games only to a municipality or a qualified organization that has
21 obtained a permit authorizing it to conduct a pull-tab game under this
22 chapter.

23 (d) A person licensed by the commissioner to distribute pull-tab
24 games in the state shall

25 (1) pay an annual fee of \$200; and

26 (2) report, as required by the commissioner, for all pull-
27 tab games distributed in the state, the name of the permittee to whom
28 the games are distributed, the numbers on the pull-tabs, and the
29 number on the label marking each set of pull-tabs.

1 (e) The commissioner may suspend or revoke a license issued
2 under this section if the licensee fails to comply with the require-
3 ments of this section.

4 (f) In this section, "distribute" means to sell, distribute,
5 furnish, or supply.

6 * Sec. 18. AS 05.15.200 is amended by adding a new subsection to read:

7 (c) The commissioner may assess a penalty in the amount pre-
8 scribed by AS 43.05.220(a) if a permittee, including a political
9 organization and an operator, fails to pay the fee as required by
10 AS 05.15.020(c), 05.15.080(b), and 05.15.085(b), unless it is shown
11 that the failure was due to a reasonable cause.

12 * Sec. 19. AS 05.15.210(6) is amended to read:

13 (6) "dog mushers' contest" means a game of chance [CONTEST]
14 in which prizes are awarded for the correct guess of the racing time
15 of a dog team or of team position in the race [, INCLUDING PRIZES TO
16 THE RACE CONTESTANTS];

17 * Sec. 20. AS 05.15.210(12) is amended to read:

18 (12) "ice classic" means a game of chance in which a prize
19 of money is awarded for the closest guess of the time the ice moves in
20 a body of water or watercourse in the state [AND IS LIMITED TO THE
21 NENANA AND CHENA ICE POOLS IN THE SAME MANNER AS THEY WERE CONDUCTED
22 IN 1959 AND PREVIOUS YEARS];

23 * Sec. 21. AS 05.15.210(15) is repealed and reenacted to read:

24 (15) "net proceeds" means the gross receipts from an autho-
25 rized activity less the fee described in AS 05.15.020(c), the expenses
26 authorized by AS 05.15.160(a), and the prizes awarded at the activity;

27 * Sec. 22. AS 05.15.210(18) is amended to read:

28 (18) "political organization" means a candidate who, or a
29 group that, has registered and filed with the Alaska Public Offices

1 Commission as required by AS 15.13.050 and 15.13.060, or a candidate
2 for nomination or election to the Presidency or the Vice-Presidency of
3 the United States or the U.S. Congress, or an authorized committee of
4 a candidate for national office [AN ORGANIZATION OR CLUB ORGANIZATION
5 UNDER OR FORMALLY AFFILIATED WITH A POLITICAL PARTY AS DEFINED IN
6 AS 15.60.010];

7 * Sec. 23. AS 05.15.210(19) is amended to read:

8 (19) "qualified organization" means a domestic corporation
9 organized under AS 10.20 that has been in existence for three years
10 after the date of issuance of a certificate of authority issued under
11 AS 10.20, or a political party as defined in AS 15.60.010 [BONA FIDE
12 CIVIC OR SERVICE ORGANIZATION OR A BONA FIDE RELIGIOUS, CHARITABLE,
13 FRATERNAL, LABOR, POLITICAL, OR EDUCATIONAL ORGANIZATION, POLICE OR
14 FIRE DEPARTMENT COMPANY, DOG MUSHERS' ASSOCIATION, OUTBOARD MOTOR
15 ASSOCIATION, OR FISHING-DERBY OR NONPROFIT TRADE ASSOCIATION IN THE
16 STATE, WHICH OPERATES WITHOUT PROFITS TO ITS MEMBERS AND WHICH HAS
17 BEEN IN EXISTENCE CONTINUALLY FOR A PERIOD OF FIVE YEARS IMMEDIATELY
18 BEFORE APPLYING FOR A LICENSE; THE ORGANIZATION MAY BE A FIRM, CORPO-
19 RATION, COMPANY, ASSOCIATION OR PARTNERSHIP];

20 * Sec. 24. AS 05.15.210 is amended by adding new paragraphs to read:

21 (24) "authorizing permittee" means a municipality or qual-
22 ified organization that authorizes an operator to conduct on its
23 behalf an activity subject to this chapter;

24 (25) "commissioner" means the commissioner of revenue;

25 (26) "department" means the Department of Revenue;

26 (27) "operator" means a natural person who, or a municipal-
27 ity or qualified organization that, has obtained a permit authorizing
28 it to operate an activity, subject to this chapter, on behalf of
29 another permittee.

1 * Sec. 25. AS 43.05.290(d) is amended to read:

2 (d) A person who wilfully makes and subscribes a return or other
3 document required under AS 05.15 or under this title that [WHICH]
4 contains or is verified by a written declaration that it is made under
5 the penalties of perjury that [WHICH] the person does not believe to
6 be true and correct as to every material matter is, in addition to
7 other penalties provided by that chapter or this title, whichever is
8 applicable, guilty of a felony and, upon conviction, punishable by a
9 fine of not more than \$25,000, or by imprisonment for not more than
10 three years, or by both.

11 * Sec. 26. AS 05.15.180(b); 05.15.200(b); 05.15.210(2), (3), (4), (5),
12 (7), (8), (9), (10), (13), (17), (22), and (23) are repealed.

13 * Sec. 27. This Act takes effect July 1, 1985.
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Introduced: 2/27/85
Referred: State Affairs,
Judiciary and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 247

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to games of chance and contests of
7 skill; and providing for an effective date."

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

9 * Section 1. AS 05.15.020 is amended to read:

10 Sec. 05.15.020. ANNUAL PERMIT AND FEES. (a) An activity per-
11 mitted under this chapter may not be conducted by a municipality or a
12 qualified organization, and a raffle may not be conducted by a politi-
13 cal organization, unless an annual permit issued by the department is
14 first obtained and a fee of \$50 [\$20] is paid to the department. [AN
15 ADDITIONAL FEE OF ONE PER CENT OF THE NET PROCEEDS SHALL BE PAID BY
16 EACH PERMITTEE ANNUALLY. THIS FEE IS DUE AND PAYABLE AT THE SAME TIME
17 AS THE ANNUAL FINANCIAL STATEMENT.]

18 (b) An activity permitted under this chapter, except a raffle
19 permitted under AS 05.15.100(c), may be conducted by an operator for a
20 municipality or qualified organization if an annual operator's permit
21 issued by the department is obtained, a fee of \$200 is paid to the
22 department, and a bond or other security acceptable to the department
23 is filed with the department in an amount equal to 10 percent of
24 estimated gross receipts from all activities to be conducted by the
25 operator in the calendar year. The operator's permit is in addition
26 to the permit required to be obtained by the municipality or qualified
27 organization on whose behalf the operator conducts the activity.

28 (c) An additional fee of one and one-half percent of the gross
29 receipts, less the value of prizes awarded, from an activity permitted

COMMITTEE COPY

1 under this chapter must be paid to the department annually by the
2 municipality, qualified organization, or political organization au-
3 thorized to conduct the activity, except that an operator is liable
4 for and must pay to the department the additional fee for activities
5 conducted by the operator on behalf of a municipality or qualified
6 organization.

7 * Sec. 2. AS 05.15 is amended by adding a new section to read:

8 Sec. 05.15.025. BOND CONDITIONS AND FORFEITURE. (a) The bond
9 or security filed under AS 05.15.020(b) must be made payable to the
10 Department of Revenue and must be conditioned upon payment to the
11 department of the fee required by AS 05.15.020(c) and payment to the
12 authorizing permittee of net proceeds as required by AS 05.15.165(b).
13 If the operator fails to make the required payments, the operator
14 forfeits the bond or security to the department.

15 (b) The amount forfeited under (a) of this section must be first
16 used to satisfy delinquent fees, interest, and penalties due the
17 department under this chapter. If the amount forfeited is not ex-
18 hausted by payment of delinquent fees, interest, and penalties, the
19 department may use the remaining amount to pay net proceeds due an
20 authorizing permittee. The total amount available for payment of net
21 proceeds must be prorated among the permittees to whom proceeds are
22 due from that operator.

23 * Sec. 3. AS 05.15.030 is repealed and reenacted to read:

24 Sec. 05.15.030. NOTIFICATION OF LOCAL GOVERNMENTS, REQUIRED
25 APPROVALS, AND PROTESTS. (a) At the time of filing an initial or
26 renewal application for a permit, a qualified organization shall
27 notify the local government nearest to the location of the proposed
28 activity of the application and the location at which the proposed
29 activity will be conducted.

1 (b) Local government approval by resolution is required for
2 three activities: bingo games, pull-tabs, and special-draw games. The
3 commissioner may not issue a permit to a qualified organization for
4 these activities in a jurisdiction that has not approved the activity.
5 Evidence of approval must be included with the initial application.

6 (c) A local government may protest issuance of a permit for
7 activities other than those described in (b) of this section, and the
8 renewal of a permit for an activity for which approval is required
9 under (b) of this section, by filing with the commissioner a resolu-
10 tion stating the reasons for the protest. A protest may be based on
11 the organization's lack of qualifications for a permit or a finding
12 that the proposed activity is not in the best interests of the public.
13 The commissioner may consider the protest resolution in the determina-
14 tion to issue or renew a permit.

15 (d) If a permittee changes the location of an activity in the
16 jurisdiction for which a permit has been issued, the permittee shall
17 notify the department and the local government within 30 days after
18 moving to the new location.

19 (e) To conduct an activity in an additional jurisdiction, a
20 permittee shall file an application with the department and shall
21 notify the local government nearest the location of the proposed
22 activity. An activity may not be conducted in an additional jurisdic-
23 tion until approval from the commissioner is obtained.

24 (f) The commissioner may limit the locations in which activities
25 under this chapter may be conducted.

26 * Sec. 4. AS 05.15.060 is repealed and reenacted to read:

27 Sec. 05.15.060. REGULATIONS. In accordance with the Administra-
28 tive Procedure Act (AS 44.62), the commissioner of revenue shall adopt
29 regulations necessary to implement this chapter, including regulations

1 on the control and issuance of permits, authorized expenses, investi-
2 gations and audits, recordkeeping and accounting, bond and security
3 forfeiture, prizes, equipment, suspension and revocation of permits
4 and licenses, definition of special-draw games, distribution of pull-
5 tabs, and other matters that the commissioner considers necessary.

6 * Sec. 5. AS 05.15.070 is amended to read:

7 Sec. 05.15.070. COMMISSIONER OF REVENUE MAY EXAMINE PERMITTEES.
8 The commissioner may examine or have examined the books and records of
9 a permittee, including a political organization and an operator, and
10 the books and records of a person licensed to distribute pull-tab
11 games in the state. [THE COMMISSIONER MAY REQUIRE THE PERMITTEE TO
12 PAY THE REASONABLE COST OF THE EXAMINATION.] The commissioner may
13 issue subpoenas for the attendance of witnesses and the production of
14 books, records, and other documents.

15 * Sec. 6. AS 05.15.080 is repealed and reenacted to read:

16 Sec. 05.15.080. REPORTS REQUIRED OF AND PAYMENT OF FEE BY MUNI-
17 CIPALITIES, QUALIFIED ORGANIZATIONS, AND POLITICAL ORGANIZATIONS. (a)
18 A municipality, qualified organization, and political organization
19 issued a permit to conduct an activity authorized under this chapter
20 shall file a report with the department no later than the last busi-
21 ness day of the month following the month in which the activity was
22 conducted. The report must include the type of activity conducted,
23 the date and location of the activity, the amount of gross receipts,
24 the amount of authorized expenses, the value of prizes awarded, the
25 amount of net proceeds, and other information the commissioner may
26 require by regulation.

27 (b) In addition to the reports required by (a) of this section,
28 a municipality, qualified organization, and political organization
29 issued a permit to conduct an activity authorized under this chapter

1 shall file an annual report with the department no later than
2 January 31 of the year following the year in which activities were
3 conducted, accompanied by the payment of the additional fee required
4 by AS 05.15.020(c). The report must list the types of activities
5 conducted, and, for each activity, the total amount of gross receipts,
6 the total amount of authorized expenses, the total value of prizes
7 awarded, and the total amount of net proceeds. The report must also
8 include the disposition or intended disposition of the net proceeds.
9 If a municipality or qualified organization authorizes an operator to
10 conduct activities on its behalf, it shall include in its annual
11 report each activity conducted on its behalf, the name of the operator
12 conducting the activity, the date and location of each activity, and
13 the net proceeds received from the operator for each activity.

14 * Sec. 7. AS 05.15 is amended by adding a new section to read:

15 Sec. 05.15.085. REPORTS REQUIRED OF AND PAYMENT OF FEE BY OPERA-
16 TORS. (a) An operator shall file a report with the department no
17 later than the last business day of the month following the month in
18 which an activity was conducted. For each municipality and qualified
19 organization on whose behalf an activity was conducted, the report
20 must include the date and location of each activity, the type of
21 activity conducted, the amount of gross receipts, the amount of au-
22 thorized expenses, the value of prizes awarded, the amount of net
23 proceeds paid, and other information the commissioner may require by
24 regulation.

25 (b) An operator shall file an annual report with the department
26 no later than January 31 of the year following the year in which
27 activities were conducted, accompanied by the payment of the addition-
28 al fee required by AS 05.15.020(c). The report must list the types of
29 activities conducted, the municipalities and qualified organizations

1 on whose behalf the activities were conducted, the total amount of
2 gross receipts, the total amount of authorized expenses, the total
3 value of prizes awarded, and the total amount of net proceeds paid to
4 each municipality and qualified organization.

5 * Sec. 8. AS 05.15 is amended by adding a new section to read:

6 Sec. 05.15.095. GENERAL PROVISIONS RELATING TO THE FILING OF
7 REPORTS AND PAYMENT OF FEES. (a) The applications and reports
8 required by this chapter must be filed under penalty of perjury and
9 signed by the following, as applicable: (1) a bona fide member in good
10 standing of the qualified organization, (2) a person authorized to
11 sign on behalf of the municipality, (3) the campaign treasurer of the
12 political organization, (4) the operator, or (5) the person licensed
13 to distribute pull-tab games in the state.

14 (b) Upon a showing of reasonable cause for delay, the commis-
15 sioner may grant an extension, not exceeding 30 days, for the filing
16 of a report required under this chapter. No extension of time for the
17 payment of a fee may be granted.

18 (c) A permittee may not conduct an activity under this chapter
19 during any period in which a report or fee is delinquent.

20 (d) A delinquent fee bears interest at the rate set by AS 43.-
21 05.225.

22 * Sec. 9. AS 05.15.100 is amended to read:

23 Sec. 05.15.100. COMMISSIONER OF REVENUE MAY ISSUE PERMITS. (a)
24 The commissioner of revenue may issue a permit to a municipality or
25 qualified organization. The permit gives the municipality or orga-
26 nization the privilege of conducting bingo, raffles and lotteries, ice
27 classics, rain classics, and dog mushers' contests[, FISH DERBIES AND
28 CONTESTS OF SKILL].

29 (b) The commissioner of revenue also may issue a permit giving a

1 municipality or qualified organization the privilege of conducting an
2 activity involving the use of playing cards, dice, and numbers wheels.
3 Each year, a municipality or qualified organization may apply for a
4 permit under this subsection for either a single event lasting no more
5 than three consecutive days, or for no more than three events lasting
6 no more than one day each.

7 (c) The commissioner may issue a permit to conduct a raffle to a
8 political organization. No more than three raffles may be conducted
9 by a political organization in a calendar year. An operator's permit
10 may not be issued under (d) of this section for a raffle permitted
11 under this subsection.

12 (d) The commissioner may issue an operator's permit to a natural
13 person authorized by a municipality or a qualified organization to
14 conduct an activity permitted under this chapter on its behalf. The
15 commissioner may also issue an operator's permit to a municipality or
16 a qualified organization authorized by another municipality or qual-
17 ified organization to conduct an activity on its behalf.

18 * Sec. 10. AS 05.15.120 is amended to read:

19 Sec. 05.15.120. ELIGIBILITY FOR PERMIT. An applicant must
20 [SHALL] be a municipality or qualified organization to be eligible for
21 a permit, except that a raffle permit may be issued to a political
22 organization under AS 05.15.100(c), and an operator's permit may be
23 issued to a natural person under AS 05.15.100(d).

24 * Sec. 11. AS 05.15.160 is amended to read:

25 Sec. 05.15.160. AUTHORIZED EXPENSES. (a) The only expenses
26 that [NO ITEM OF EXPENSE] may be incurred or paid in connection with
27 the operation of an activity under a permit issued under this chapter
28 are [EXCEPT FOR] bona fide expenses reasonably necessary for

29 (1) goods, wares, and merchandise necessary for the

1 operation of the activity;

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

4 (3) personal services involved with the operation of the
5 activity, if [PROVIDED] the services are performed by (A) an employee
6 of the permittee; [MUNICIPALITY, QUALIFIED ORGANIZATION,] or (B) a
7 consultant hired by the permittee [MUNICIPALITY OR QUALIFIED ORGANI-
8 ZATION] conducting the activity, and the consultant is not directly
9 involved in the operation of the activity [AND THE COMPENSATION IS NOT
10 RELATED TO THE RECEIPTS FROM THE ACTIVITY].

11 (b) The expenses authorized by (a) of this section may not
12 exceed 25 percent of a permittee's annual gross receipts from the
13 authorized activity.

14 * Sec. 12. AS 05.15 is amended by adding new sections to read:

15 Sec. 05.15.163. NET PROCEEDS. The annual net proceeds of a
16 qualified organization from activities authorized under this chapter
17 may not be less than 25 percent of the organization's annual gross
18 receipts from the activities.

19 Sec. 05.15.165. OPERATORS. (a) An operator may not operate an
20 activity for more than one authorizing permittee in a 24-hour period.

21 (b) An operator is required to pay the authorizing permittee the
22 net proceeds from an activity within 15 calendar days after the date
23 of the activity. The payment must be made by check, and the operator
24 shall obtain a signed receipt from the authorizing permittee. The
25 authorizing permittee shall keep a copy of the receipt for its re-
26 cords.

27 (c) An authorizing permittee shall designate a representative as
28 its agent to work with the operator. The representative of a quali-
29 fied organization must be a bona fide member in good standing of the

1 organization. The representative is entitled to access to all books
2 and records of the operator relating to the activity conducted by the
3 operator for the authorizing permittee. The commissioner may order
4 the production of the books and records of an operator if the operator
5 does not voluntarily make them available to the representative.

6 (d) If the department finds that an operator has incurred ex-
7 penses that are not authorized under AS 05.15.160(a), or has incurred
8 expenses in excess of the amount authorized under AS 05.15.160(b), or
9 has paid an authorizing permittee less than the minimum amount of net
10 proceeds required by AS 05.15.163, the department shall order the
11 operator to refund to the authorizing permittee the amount of the
12 unauthorized expenses, or the difference between the minimum amount of
13 net proceeds set under AS 05.15.163 and the amount of the net proceeds
14 actually paid, whichever is greater. The operator shall pay the
15 authorizing permittee interest on the amount ordered to be paid at the
16 rate of 1.5 percent a month for each month or fraction of a month
17 between the date of the activity and the date the refund is made.

18 (e) The name of the operator and the name of each authorizing
19 permittee on whose behalf an activity is conducted must be disclosed
20 in each advertisement of an activity. The operator shall post its
21 operator's permit and a copy of the permit of the authorizing per-
22 mittee at the location of the activity.

23 * Sec. 13. AS 05.15.180(a) is amended to read:

24 (a) This [EXCEPT AS PROVIDED IN AS 05.15.100(b), THIS] chapter
25 does not authorize the use of [PLAYING CARDS, DICE, ROULETTE WHEELS,
26 COIN-OPERATED] instruments, [OR] machines, or other objects [OR IN-
27 STRUMENTS] used, designed, or intended primarily for gaming or gam-
28 bling unless [OR ANY OTHER METHOD OR IMPLEMENT NOT] expressly au-
29 thorized by regulation and used in an activity authorized under this

1 chapter [THE COMMISSIONER].

2 * Sec. 14. AS 05.15 is amended by adding a new section to read:

3 Sec. 05.15.185. PULL-TAB GAMES. (a) No person may distribute
4 pull-tab games to another person in this state for use within this
5 state, unless the person first obtains a license from the commissioner
6 authorizing that person to distribute pull-tab games in the state.

7 (b) All pull-tabs distributed in the state by a person licensed
8 by the commissioner must be numbered, and each set of pull-tabs must
9 be sealed and marked with a numbered label purchased by the licensee
10 from the department.

11 (c) A person licensed under this section is authorized to dis-
12 tribute pull-tab games only to a municipality or a qualified orga-
13 nization that has obtained a permit authorizing it to conduct a pull-
14 tab game under this chapter.

15 (d) A person licensed by the commissioner to distribute pull-tab
16 games in the state shall (1) pay an annual fee of \$100; and (2) re-
17 port, as required by the commissioner, for all pull-tab games distri-
18 buted in the state, the name of the permittee to whom the games are
19 distributed, the numbers on the pull-tabs, and the number on the label
20 marking each set of pull-tabs.

21 (e) The commissioner may suspend or revoke a license issued
22 under this section if the licensee fails to comply with the require-
23 ments of this section.

24 (f) In this section, "distribute" means to sell, distribute,
25 furnish, or supply.

26 * Sec. 15. AS 05.15.200 is amended by adding a new subsection to read:

27 (c) The commissioner may assess a penalty in the amount pre-
28 scribed by AS 43.05.220(a) if a permittee, including a political
29 organization and an operator, fails to pay the fee as required by

1 AS 05.15.020(c), 05.15.080(b), and 05.15.085(b), unless it is shown
2 that the failure was due to a reasonable cause.

3 * Sec. 16. AS 05.15.210(6) is amended to read:

4 (6) "dog mushers' contest" means a game of chance [CONTEST]
5 in which prizes are awarded for the correct guess of the racing time
6 of a dog team or of team position in the race[, INCLUDING PRIZES TO
7 THE RACE CONTESTANTS];

8 * Sec. 17. AS 05.15.210(12) is amended to read:

9 (12) "ice classic" means a game of chance in which a prize
10 of money is awarded for the closest guess of the time the ice moves in
11 a body of water or watercourse in the state [AND IS LIMITED TO THE
12 NENANA AND CHENA ICE POLLS IN THE SAME MANNER AS THEY WERE CONDUCTED
13 IN 1959 AND PREVIOUS YEARS];

14 * Sec. 18. AS 05.15.210(15) is repealed and reenacted to read:

15 (15) "net proceeds" means the gross receipts from an autho-
16 rized activity less the fee described in AS 05.15.020(c), the expenses
17 authorized by AS 05.15.160(a), and the prizes awarded at the activity;

18 * Sec. 19. AS 05.15.210(18) is amended to read:

19 (18) "political organization" means a candidate who, or a
20 group that, has registered and filed with the Alaska Public Offices
21 Commission as required by AS 15.13.050 and 15.13.060, or a candidate
22 for nomination or election to the Presidency or the Vice-Presidency of
23 the United States or the U.S. Congress, or an authorized committee of
24 a candidate for national office [AN ORGANIZATION OR CLUB ORGANIZATION
25 UNDER OR FORMALLY AFFILIATED WITH A POLITICAL PARTY AS DEFINED IN
26 AS 15.60.010];

27 * Sec. 20. AS 05.15.210(19) is amended to read:

28 (19) "qualified organization" means a domestic corporation
29 organized under AS 10.20 that has been in existence for three years

1 after the date of issuance of a certificate of authority issued under
2 AS 10.20, or a political party as defined in AS 15.60.010 [BONA FIDE
3 CIVIC OR SERVICE ORGANIZATION OR A BONA FIDE RELIGIOUS, CHARITABLE,
4 FRATERNAL, LABOR, POLITICAL, OR EDUCATIONAL ORGANIZATION, POLICE OR
5 FIRE DEPARTMENT COMPANY, DOG MUSHERS' ASSOCIATION, OUTBOARD MOTOR
6 ASSOCIATION, OR FISHING-DERBY OR NONPROFIT TRADE ASSOCIATION IN THE
7 STATE, WHICH OPERATES WITHOUT PROFITS TO ITS MEMBERS AND WHICH HAS
8 BEN IN EXISTENCE CONTINUALLY FOR A PERIOD OF FIVE YEARS IMMEDIATELY
9 BEFORE APPLYING FOR A LICENSE; THE ORGANIZATION MAY BE A FIRM, CORPO-
10 RATION, COMPANY, ASSOCIATION OR PARTNERSHIP];

11 * Sec. 21. AS 05.15.210 is amended by adding new paragraphs to read:

12 (24) "authorizing permittee" means a municipality or qual-
13 ified organization that authorizes an operator to conduct on its
14 behalf an activity subject to this chapter;

15 (25) "commissioner" means the commissioner of revenue;

16 (26) "department" means the Department of Revenue;

17 (27) "operator" means a natural person who, or a municipal-
18 ity or qualified organization that, has obtained a permit authorizing
19 it to operate an activity, subject to this chapter, on behalf of
20 another permittee.

21 * Sec. 22. AS 43.05.290(d) is amended to read:

22 (d) A person who wilfully makes and subscribes a return or other
23 document required under AS 05.15 or under this title which contains or
24 is verified by a written declaration that it is made under the pen-
25 alties of perjury which the person does not believe to be true and
26 correct as to every material matter is, in addition to other penalties
27 provided by that chapter or this title, whichever is applicable,
28 guilty of a felony and, upon conviction, punishable by a fine of not
29 more than \$25,000, or by imprisonment for not more than three years,

1 or by both.

2 * Sec. 23. AS 05.15.180(b), 05.15.200(b), 05.15.210(2), (3), (4), (5),
3 05.15.210(7), (8), (9), (10), 05.15.210(13), 05.15.210(17), and 05.15.-
4 210(22), and (23) are repealed.

5 * Sec. 24. This Act takes effect July 1, 1985.
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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 247

February 27, 1985

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of Art. III, Sec. 28, of the Alaska Constitution, I am transmitting a bill relating to the regulation of charitable gaming activities in the State.

I am convinced that there is grave abuse of existing gaming laws, and this bill is intended to address that abuse. It also would make it easier for the vast majority of non-profit groups which sponsor charitable gaming activities to conform to the law and would remove from State regulation those activities which should not be subject to government licensing.

Under existing law, the Department of Revenue must issue a permit before charitable gaming can be conducted. Only certain non-profit groups that have been in existence for five years or more, and municipalities, are eligible for a permit.

In turn, some non-profit groups have hired commercial operators to run their games. Today charitable gaming is a multi-million dollar industry in our State. Non-profit groups have increasingly turned to commercial operators to manage their permits. It is unrealistic to ignore the commercial operator or to attempt to ban their use. Non-profit organizations, composed entirely of volunteers, often have little alternative except to use operators or forego charitable gaming entirely. Furthermore, AS 10.20.011(11) expressly authorizes non-profit corporations to appoint agents. However, as I noted in my veto letter on July 4, 1984, in regard to CSSB 549 (Rls), there is some evidence that a few unscrupulous operators have failed to report the bulk of their receipts to either the charitable organizations for whom they supposedly work or to the State.

In one instance, State investigators reported that as much as \$7 million may have been generated by one operator in 1983, yet the operator reported only \$200,000 in receipts to the State. Other complaints received by the Department of Revenue include allegations that little of the proceeds actually go to charitable purposes, that prizes are not awarded fairly, that credit is extended to some players, that certain prizes are misrepresented and that criminal elements may be entering the commercial gaming area.

Under amendments proposed by this bill, the Department of Revenue would regulate commercial operators and limit their activities. The bill further defines and limits authorized expenses to 25 percent of annual gross receipts and requires that at least 25 percent of net proceeds be dedicated to the charitable or civic purpose for which the activity is conducted.

The bill also provides that a local government must approve by resolution, a permit application for certain activities before a permit may be issued by the department. For other activities, the local government may file a protest, for consideration by the Commissioner.

The bill institutes a number of reporting, payment and accounting requirements. These provisions should help the department to monitor effectively the activities for which permits are issued. Special licensing and reporting requirements are proposed for pull-tab game distributors. Since pull-tabs were legalized in 1982, the number of pull-tabs sold in the State has increased steadily, with more than two million pull-tabs shipped to the State each week, by estimate of department officials who believe that many are being sold illegally.

In an effort to simplify the law for most Alaskans, the bill would remove contests of skill from the coverage of AS 05.15. Because of the wide range of athletic events that are now conducted in this State, the requirement for a permit has become impossible to enforce. Many persons and organizations do not even realize a permit is needed to conduct an event such as a foot race or a golf tournament in which prizes are awarded to the contestants.

To the extent that contest of skill involve what would otherwise be gambling, they will continue to be regulated. For this reason, "dog mushers' contests" are retained in the law. The event itself will not be regulated by the department; only third-party wagering on the results of the dog race will be regulated.

Another significant feature of the bill involves revision of the definition of "qualified organization." This bill changes the five-years-in-existence requirement to three years and adds the requirement that the organization be certified as a domestic corporation under AS 10.20, the Alaska Nonprofit Corporation Act.

The new definition of "qualified organization" also includes political organizations. Under existing law, a political party may conduct any of the activities authorized by AS 05.15, but candidate organizations and political action committees may not. This bill would allow political organizations--that is, candidate organizations and political action committees--to conduct one kind of activity--a raffle. In addition, they would be limited to only three raffles a year and commercial operators would be barred from conducting a raffle on behalf of a political organization. These restrictions should be of assistance to both the Department of Revenue and the Alaska Public Offices Commission in regulating fund-raising activities of political organizations.

Other features of the bill include an increase in the fees currently imposed for permits and an amendment to make it clear that forms filed under AS 05.15 are filed under penalty of perjury.

I encourage members of the public to comment on this legislation. As you may know, when I vetoed CSSB 549 (RIs) last year, I did so reluctantly because although the bill contained many laudable features, there was insufficient opportunity for public participation in the development of the legislation.

Sincerely,



Bill Sheffield
Governor

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date _____

120
SEP 23

REQUEST Page 1 of 3
Bill/Resolution No: HB 247
Title: An Act Relating to Games of Chance & Skill & Provide for effective date
Sponsor: _____
Requestor: _____
Date of Request: _____

FISCAL DETAIL
Agency Affected: Revenue
Program Category Affected: Revenue Collection & Management
BRU, Program or Subprogram(s) Affected: Public Services Division BRU

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	-	32.8	33.7	34.2	34.7	35.2
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	2.6	3.0	3.5	4.0	4.1
400 SUPPLIES	-	-	-	-	-	-
500 EQUIPMENT	-	4.5	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	39.9	36.7	37.7	38.7	39.3
CAPITAL	-	-	-	-	-	-
REVENUE	-	192.4	206.2	221.6	238.5	257.1

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	39.9	36.7	37.7	38.7	39.3
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

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

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

1. License fee: \$50 per non-profit; \$200 per operator; \$100 per distributor
2. 1 1/2% tax
3. Sale of seals for pull tabs

See revenue figures above.

ANALYSIS: Attach a separate page for analysis.

Prepared By: Sally Smith
Division: Public Services

Phone: 465-2392
Date: _____

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 2/19/85

Distribution (by Agency preparing fiscal note):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

Public Services Division BRU
Fiscal Note Analysis

Administration of Games of Chance and Contests of Skill (AS 05.15) rests with the Public Services Division. Gambling in Alaska has grown substantially in recent years with an even more accelerating growth expected. There is a definite need to provide for some control before it reaches a level that would prohibit any control.

The tax examiner requested will be used to handle the increase in paperwork resulting from the change in reporting requirements by the permit holders from yearly to monthly. Also, this tax examiner will handle the new paperwork connected with licensing distributors and issuing pull tab seals.

100 PERSONAL SERVICES

Sections 6 and 8 mandate new monthly and annual reporting requirements. As there are over 700 permittees, a tax examiner will be needed to examine monthly reports and annual reconciliations, review security or bonding documents, perform financial analysis on WANG, issue permits, answer correspondence, follow-up on minor complaints, and assist field investigators as needed.

1	Tax Examiner II	2,733 @ 12 mos.	\$32,796
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Total Annual Wages & Benefits	\$32,796
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300 CONTRACTUAL

Printing costs are for new forms for distributors. Pull tab seals are estimated at \$.25 each and would be recouped by selling them to the distributors.

Pull Tab Stamp	\$ 625
Printing cost for forms	\$ <u>2,000</u>

Total Contractual	\$ 2,635
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500 EQUIPMENT

File cabinets will be used to store monthly reports and distributor reports

Office equipment (desk, chair, calculator)	\$ 900
File cabinets	\$ <u>3,600</u>

Total Equipment	\$ <u>4,500</u>
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Total	\$39,921
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Copy

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Page 1 of 4

Revision Date 3/21/85

REQUEST

Bill/Resolution No: ^{CS} HB247 (SA)
Title: An Act Relating to Games of
Chance & Skill & Providing for an
Effective Date
Sponsor: Governor
Requestor:
Date of Request:

FISCAL DETAIL

Agency Affected: Revenue
Program Category Affected: General
Government
BRU, Program or Subprogram(s) Affected:
Public Services Operating & Public
Services Data & Word Processing

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<u>OPERATING</u>						
100 PERSONAL SERVICES	-	183.8	196.7	210.5	225.3	241.1
200 TRAVEL	-	32.	34.3	36.7	39.3	42.1
300 CONTRACTUAL	-	27.4	29.4	31.5	33.8	36.2
400 SUPPLIES	-	1.5	1.7	1.9	2.1	2.3
500 EQUIPMENT	-	8.9	9.6	10.3	11.1	11.9
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
<u>TOTAL OPERATING</u>	-	253.6	271.7	290.9	311.6	333.6
<u>CAPITAL</u>	-	-	-	-	-	-
<u>REVENUE</u>	-	192.4	206.2	221.6	238.5	257.1

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	61.2	65.5	69.3	73.1	76.5
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<u>TOTAL</u>	-	61.2	65.5	69.3	73.1	76.5

POSITIONS:

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

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

1. License fee: \$50 per non-profit; \$200 per operator; \$100 per distributor
2. 1 1/2% tax
3. Sale of seals for pull tabs

See revenue figures above.

ANALYSIS: Attach a separate page for analysis.

Fiscal Note
CS HB247 (SA) - Page 2 of 4
March 21, 1985

Prepared By: *Ed Smith*
Division: Public Services

Phone: 465-2392

Date: 21 March 1985

Approved by Commissioner: *Henry D. Studak*
Agency: Department of Revenue

Date: 3/22/85

Distribution (by Agency preparing fiscal note):

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