

ALASKA LEGISLATURE COMMITTEE BILL FILES - 1987 - 1988 8879

CSHB 297 thru HB 299 *Leg. Finance* 326

CSHB

297

SENATE COMMITTEE REPORT

FURTHER

4/29/88

DATE TURNED INTO OFFICE 5/4/88

Mr. President:

FINANCE Committee considered CSHB 297 (FIN) am

notification to community councils and nonprofit community organizations of certain state actions

and recommended

replace with CS) same title
 or adopt 5 CS CSHB 297 (C+RA)) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous

zero fiscal impact

SFC

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

Paul Frick N.P.R.

Rick Halford do pass
Chairman signature and recommendation

Committee Backup attached

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Community notification of certain state changes
Sponsor: _____
Requestor: Senate Finance Committee

Agency Affected: Dept. of Natural Resources
BRU: Land and Water

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	0

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Rick Halford

Prepared by: _____
Division: Senator Rick Halford, Co-chairman
Senate Finance Committee

Phone: 465-3753
Date: May 4, 1988

Approved by Commissioner: _____
Agency: _____

Date: _____

Distribution (by preparer):

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

Original sponsors: Donley, Boucher,
Brown, et al.

1 IN THE HOUSE BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE
2 SENATE CS FOR CS FOR HOUSE BILL NO. 297 (C&RA)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL
6 For an Act entitled: "An Act relating to the notification to community
7 councils and nonprofit community organizations of
8 certain state actions."

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

10 * Section 1. AS 04.11.310(b) is amended to read:

11 (b) Upon receipt of an application for the issuance, renewal,
12 relocation, or transfer of ownership of a license for premises or
13 proposed premises that are located within one-half mile of the boun-
14 dary [WITHIN AN AREA OF A MUNICIPALITY UNDER THE JURISDICTION] of a
15 community council established by municipal charter or ordinance [TO
16 ADVISE THE MUNICIPAL GOVERNING BODY, OR WITHIN AN AREA ADJACENT TO
17 SUCH AN AREA], the board shall

18 (1) immediately provide [TO THE COMMUNITY COUNCIL] written
19 notice of the application to

20 (A) the community council; and

21 (B) any nonprofit community organization that has
22 requested notification in writing; and

23 (2) at least 10 days before the date set for board action
24 on the application provide [TO THE COMMUNITY COUNCIL] written notice
25 of the proposed action and the time and place for a hearing to

26 (A) the community council; and

27 (B) any nonprofit community organization that has
28 requested notification in writing.

29 * Sec. 2. AS 04.11.510(b) is amended to read:

1 (b) The board may review an application for the issuance, renew-
2 al, transfer of location, or transfer to another person of a license
3 without affording the applicant notice or hearing, except

4 (1) if an application is denied, the notice of denial shall
5 be furnished the applicant immediately in writing stating the reason
6 for the denial in clear and concise language; the notice of denial
7 shall inform the applicant that the applicant is entitled to an in-
8 formal conference with either the director or the board, and that,
9 if not satisfied by the informal conference, the applicant is then
10 entitled to a formal hearing before the board; if the applicant re-
11 quests a formal hearing, the board shall adhere to AS 44.62.330 -
12 44.62.630 (Administrative Procedure Act); all interested persons may
13 be heard at the hearing and unless waived by the applicant and the
14 board, the formal hearing shall be held in the area for which the
15 application is requested;

16 (2) the board may, on its own initiative or in response to
17 an objection or protest, hold a hearing to ascertain the reaction of
18 the public or a local governing body to an application if a hearing is
19 not required under [(1), (3), OR (4) OR] this subsection and the board
20 shall send notice of a hearing conducted under this paragraph 20 days
21 in advance of the hearing to each community council established within
22 the municipality and to each nonprofit community organization entitled
23 to notification under AS 04.11.310(b);

24 (3) if a petition containing the signatures of 35 percent
25 of the adult residents having a permanent place of abode outside of
26 but within two miles of an incorporated city or an established village
27 is filed with the board, the board shall hold a public hearing on the
28 question of whether the issuance, renewal, or transfer of the license
29 in the city or village would be in the public interest;

1 (4) if a protest to the issuance, renewal, transfer of
2 location or transfer to another person of a license made by a local
3 governing body is based on a question of law, the board shall hold a
4 public hearing.

5 * Sec. 3. AS 04.11 is amended by adding a new section to read:

6 Sec. 04.11.525. NOTICE TO COMMUNITY COUNCIL. On receipt of an
7 application for the issuance, renewal, relocation, or transfer of the
8 ownership of a license, the board shall provide written notice under
9 AS 04.11.310(b).

10 * Sec. 4. AS 33.30 is amended by adding a new section to read:

11 Sec. 33.30.025. SITING OF PRISON FACILITIES. The commissioner
12 shall notify each community council established by municipal charter
13 or ordinance of the department's plans to locate a prison facility or
14 to contract for the operation of a prison facility, community residen-
15 tial facility, or other rehabilitation program if the facility or
16 proposed facility will be within one-half mile of the boundary of the
17 area represented by a community council.

18 * Sec. J. AS 35.30.010(a) is amended to read:

19 (a) Except as provided in (b) of this section, before commencing
20 construction of a public project,

21 (1) if the project is located in a municipality, the de-
22 partment shall submit the plans for the project to the planning com-
23 mission of the municipality for review and approval;

24 (2) if the project is located within two miles of a vil-
25 lage, the department shall submit the plans to the village council for
26 review and comment;

27 (3) if the project is located within one-half mile of the
28 boundary of an area represented by a community council established by
29 municipal charter or ordinance, the department shall submit the plans

1 to the community council for review and comment.

2 * Sec. 6. AS 38.05.945(c) is amended to read:

3 (c) Except for oil and gas leasing under AS 38.05.180 and geo-
4 thermal leasing under AS 38.05.181, notice [NOTICE] at least 30 days
5 before action under (a) of this section shall also be given to the
6 following:

7 (1) to a municipality if the land is within the boundaries
8 of the municipality, to a coordinating body established by community
9 councils in a municipality if the coordinating body or a community
10 council within the area served by a coordinating body requests notice
11 in writing; if there is no coordinating body within the municipality,
12 notice shall be provided to each community council established by the
13 charter or ordinance of the municipality if the land is located within
14 the boundaries of the municipality and if the community council re-
15 quests notice in writing;

16 (2) to a regional corporation if the boundaries of the
17 corporation as established by sec. 7(a) of the Alaska Native Claims
18 Settlement Act encompass the land and the land is outside a municipa-
19 lity;

20 (3) to a village corporation organized under sec. 8(a) of
21 the Alaska Native Claims Settlement Act if the land is within 25 [SIX]
22 miles of the village for which the corporation was established and the
23 land is located outside a municipality;

24 (4) to the postmaster of a permanent settlement of more
25 than 25 persons located within 25 [SIX] miles of the land if the land
26 is located outside a municipality, with a request that the notice be
27 posted in a conspicuous location;

28 (5) to a nonprofit community organization or a governing
29 body that has requested notification in writing and provided a map of

1 its boundaries, if the land is within the boundaries.

2 * Sec. 7. AS 38.05.945 is amended by adding a new subsection to read:

3 (g) Failure to give notice under this section to a community
4 council, a coordinating body established by community council, or
5 an organization listed in (c)(5) of this section does not constitute a
6 legal basis for invalidation or delay of the action.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act Relating to Notification to Community Councils and Non-Profit Comm. Councils of Certain State Actions
Sponsor: Rep. Donley, Barnes, Brown et al
Requestor: _____

Agency Affected: Revenue
BRU: ABC
Components: OPERATING

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Royce B. Weller ^{RW} Phone: 465-2300
Division: Commissioner's Office Date: February 10, 1988
Approved by Commissioner: Hugh Malone ^{H Malone} Date: February 10, 1988
Agency: Department of Revenue

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

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Notice to Community Councils

Agency Affected: DNR
BRU: L&WM, Mining, DOP&OR
Oil and Gas

Sponsor: Donlev, Barnes, Brown et.al.
Requestor: House Finance

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		2.8	2.8	2.8	2.8	2.8
TRAVEL		.8	.8	.8	.8	.8
CONTRACTUAL		3.2	3.2	3.2	3.2	3.2
SUPPLIES		1.2	1.2	1.2	1.2	1.2
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		8.0	8.0	8.0	8.0	8.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		8.0	8.0	8.0	8.0	8.0
FEDERAL FUNDS						
OTHER						
TOTAL		8.0	8.0	8.0	8.0	8.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

(See attached)

Prepared by: Janet Burleson
Division: Land and Water Management

Phone: 465-3400
Date: 2/10/88

Approved by Commissioner: Jenni Gombh
Agency: Department of Natural Resources

Date: 2-11-88

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

Analysis: 1988 Legislative Session
Fiscal Note - CSHB 297(FIN)
Pg 2 of 2

The Department anticipates because of the interests of statewide non-profit corporation (RDC, ACE, Alaska Loggers, etc.) that many notices which are currently confined to geographic locations will now require statewide notice. We also anticipate that at least 10% of the notices will be subject to requests for hearing and these travel costs are included in the fiscal information.

	<u>89</u>	<u>90-93</u>
100 <u>Personal Services</u>		
NRO I/1 month	2.8	2.8
(response to inquiries)		
200 <u>Travel</u>	.8	.8
300 <u>Contractual</u>	3.2	3.2
Certified mailing/duplication, postage, travel for hearings		
400 <u>Supplies</u>	1.2	1.2
paper/envelopes etc.		
	----- 8.0	----- 8.0

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Notification to Community
Councils
Sponsor: Representative Donley et.al.
Requestor: Senate State Affairs

Agency Affected: Natural Resources
BRU: Land & Water Management
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		0	0	0	0	0
TRAVEL		.8	.8	.8	.8	.8
CONTRACTUAL		2.2	2.2	2.2	2.2	2.2
SUPPLIES		1.2	1.2	1.2	1.2	1.2
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		4.2	4.2	4.2	4.2	4.2

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		4.2	4.2	4.2	4.2	4.2
FEDERAL FUNDS						
OTHER						
TOTAL		4.2	4.2	4.2	4.2	4.2

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

This amended version of the bill removes DNR's liability for not notifying an organization. The fiscal note can therefore be reduced because the notices can be sent regular mail instead of by certified green card. Less personnel time will be involved.

Prepared by: Janet Burleson Phone: 465-3400
Division: Land and Water Management Date: 3/22/88

Approved by Commissioner: Tom Hawkins Date: _____
Agency: Natural Resources

Distribution (by preparer):

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

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

Bill Version: SCS for CSHB 297 (C&RA)
 Publish Date: SENATE 4/29/88

REQUEST: _____
 Revision Date: _____
 Title: Justification of Community Councils
 Sponsor: Rep. Donley, et al
 Requestor: Senate C&RA

Agency Affected: Natural Resources
 BRU: Land & Water
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	/	/	/	/	/	/
TRAVEL	/	/	/	/	/	/
CONTRACTUAL	/	/	/	/	/	/
SUPPLIES	/	/	/	/	/	/
EQUIPMENT	/	/	/	/	/	/
LAND & STRUCTURES	/	/	/	/	/	/
GRANTS, CLAIMS	/	/	/	/	/	/
MISCELLANEOUS	/	/	/	/	/	/
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	/	/	/	/	/	/
FEDERAL FUNDS	/	/	/	/	/	/
OTHER	/	/	/	/	/	/
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: McKie Campbell Phone: 465-3818
 Division: Staff, Senate C&RA Committee Date: 4/28/88
 Approved by Commissioner: Senator Arliss Stangor Date: 4/28/88
 Agency: Chairman, Senate Community & Regional Affairs Comm.

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

REPRESENTATIVE DAVE DONLEY

ALASKA STATE LEGISLATURE

DISTRICT ELEVEN • SPENARD

NORTHWOOD • SPENARD • THOMPSON • TURNAGAIN • UPPER MILDTOWN • WINDEMERE

P.O. BOX V, JUNEAU 99811

(907) 465-3892



CHAIRMAN
LABOR AND COMMERCE
COMMITTEE

MEMBER
STATE AFFAIRS COMMITTEE
HEALTH, EDUCATIONAL
AND SOCIAL SERVICES COMMITTEE

DATE: April 22, 1988

TO: Senator Rick Halford, Co-chair
Senator John Binkley, Co-chair
Senate Finance Committee

FROM: Representative Dave Donley

SUBJECT: HB 297, Notification of Community Council

In response to the desires of Community Councils and other public groups who felt they were not being adequately informed of pending state actions I introduced HB 297 last year.

Local ordinances and charters within municipalities setup the ability for parts of the community to set up Community Councils. The purpose of the councils are to help local governments make informed decision. At this time only the Municipality of Anchorage and the Mat-Su Borough have set-up community councils. The public has expressed strong support for this legislation.

Under HB 297, the Alcohol Beverage Control Board will be required to send to Community Councils and non-profits a copy of their board meetings, as well as notify them of receipt of application of issuance, renewal or transfer of liquor licenses for premises or proposed premises within their areas of concern.

The Department of Corrections will be required to notify community councils of plans for correctional or residential prison facilities or a rehabilitation program within their council area.

The Department of Transportation and Public Facilities will be required to notify community councils of proposed projects in their council area.

The Department of Natural Resources will be required to notify community councils of proposed action to classify, reclassify, zone, sale, lease or dispose of state land, if the proposed action is within their council.

Under this proposed legislation community councils will receive the information they need to become viable partners in the decision-making process which involve their neighborhoods.

If you have any further questions please feel free to call me or my legislative aide, Mark Begich at 465-3892.

HB 297

Rep Menard

Introduced by: Commissioner Campbell
Prepared by: John Duffy

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 88-02

"A RESOLUTION OF THE PLANNING COMMISSION OF THE MATANUSKA-SUSITNA BOROUGH ENCOURAGING THE STATE OF ALASKA AND ITS ADMINISTRATIVE UNITS TO SUPPLY WRITTEN NOTICE TO LOCAL COMMUNITY COUNCILS OF ACTIONS THAT AFFECT THE LOCAL COMMUNITY."

WHEREAS, administrative units of the State of Alaska take actions that directly affect local communities, and

WHEREAS, the community councils within the Matanuska-Susitna Borough and other municipalities within the State of Alaska provide local community input into governmental actions, and

WHEREAS, the State of Alaska and its administrative ~~units~~ can better serve its citizens by ~~informing~~ the community councils of actions proposed within their community and obtaining their comments.

NOW, THEREFORE, BE IT RESOLVED:

1) that the Planning Commission of the Matanuska-Susitna Borough hereby encourages the State of Alaska and its administrative units to formally contact community councils and obtain their comments about actions affecting the community.

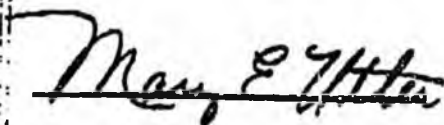
2) that copies of this Resolution be sent to Governor Steve Cowper, Senator Jalmar Kerttula, Senator Michael Szymanski, Representative Ron-Larson, and Representative Curt Menard.

ACCEPTED AND APPROVED by the Planning Commission of the Matanuska-Susitna Borough this 4th day of January 1988.



Ric Davidge, Director
Development Services

ATTEST:



Mary Utter
Planning Clerk

STATE OF ALASKA

DEPARTMENT OF REVENUE

ALCOHOLIC BEVERAGE CONTROL BOARD

CRA #6 ©HB 297
STEVE COWPER, GOVERNOR

550 W. 7TH AVE
ANCHORAGE, ALASKA 99501-8698

May 8, 1987

MAY 9 1987

The Honorable Henrich Springer, Chairman
Community & Regional Affairs Committee
Alaska State House of Representatives
P.O. Box V
Juneau, AK 99811

Dear Representative Springer:

Terry Hoefflerle from your office called me yesterday for some comments concerning HB 297 regarding notice of liquor license applications to "community councils." He suggested that my remarks be in writing for your committee's review.

Generally, those sections of the bill which address liquor laws appear to initiate a significant intent to change policy under current law. Present policy under AS 04.11.480 and a supreme court opinion (enclosed) provides that a "local governing body" defined at AS 04.21.080 has prominent standing in review and comment about applications for issuance, renewal, transfer, and relocation of liquor licenses. Under AS 04.11.520, specific notice of all applications must be provided to a local governing body and under AS 04.11.510 the board cannot act on an application until the time for local government consideration has passed. Additionally, under AS 04.11.310 and AS 04.21.010, community councils are given three notices (two by the board and one by local government). A copy of our notice form is also enclosed. Additionally, public notice is given by an applicant (except for renewal) prior to filing an application (a copy of the notice format is enclosed).

With the above notices required under present law, I believe additional notice proposed in HB 297 is unnecessary and redundant.

On several occasions in an attempt to assess objections from community councils under AS 04.11.470 the board has held public hearings in municipalities. These hearings have been called at the board's initiative even tho a local governing body may have approved an application or made no comment. Questions that have been asked by the board since notice to community councils became law in June 1985 under CSHB 34 (Fin) are:

1. Is another level of "local governing body" intended?

2. To what degree do community councils represent a community area before their city councils and/or assemblies and the state?

Representative Springer

May 8, 1987

Page 2

In summary, the board has and does give every consideration to public comment about license applications no matter how minor or insignificant concerns might appear. Most public objections received by the board are a result of persons having seen or heard the required public notice or seen the required posting of an application.

Section 1 of the bill will require the staff to provide a copy of each of the board's agendas to all community councils. According to my information there are 36 councils in the Municipality of Anchorage and 14 within the Matanuska-Susitna Borough. Board member agendas with attachments are usually in the neighborhood of 100 pages. There are usually 15-18 pages of agenda items without attachments and these are available for public review at all board meetings. A copy of the board's last agenda is also enclosed.

One person, the licensing supervisor, spends almost full time with preparation of the agenda. Her primary duties are to assure accuracy of information and that an application is not prematurely taken to the board prior to proper notice to local governments and community councils unless those bodies waive the notice requirements in writing.

Preparation of the agenda is time-consuming and costly. Copying, mailing, filing, and documenting additional notice requirements imposes an additional burden on an already overburdened licensing staff. Three licensing positions have processed applications which have grown from 1,300 to over 2,000 during the last ten years. Therefore, the fiscal note for this bill proposes an additional licensing document processor position.

The section also proposes that agendas be provided to councils no later than 10 days prior to a board meeting. This strongly suggests that an item could not be added to the agenda 10 days before a board meeting. This restriction could produce severe hardship on new license, relocation, and transfer applicants whose applications might become ready for board consideration during the ten-day period. This occurs at almost every board meeting. Additionally, this becomes important, because time between board meetings is anywhere from five to seven weeks and board meetings are not always held in the same city where an applicant resides.

Section 2 of the bill requires notice to a council when an application is for a premises within one-half mile from the boundary of the council area. This requirement could predictably require notice to three councils (two notices would probably be frequent). I suspect that applicants would have to provide maps of council boundaries to show locations of their premises within an adjacent council area. Board staff would be responsible to confirm the accuracy of a premises location. This responsibility could be placed on the licensing or investigator staff.

Representative Springer
May 8, 1987
Page 3

Section 3 of the bill requires notice to a council of any public hearing held by the board concerning an application for premises in a council area. This has always been the practice of the board and all public hearings have been held in community council meeting rooms.

Section 4 establishes a new section which is unclear to me.

Finally, an addition should be inserted which requires local governing bodies to annually provide the board with names and addresses of community councils, names and addresses of current council officers, and detailed maps which clearly show community council boundaries.

This letter has become more lengthy than I had expected. However, the issue at hand is quite significant and of great concern to the board. Alternatively, the board had proposed in legislation last year that applicants provide all required notices prior to filing their applications with the board. Until there are clarifications of the matters noted, the board respectfully opposes the legislation.

If I can provide you any additional information, please do not hesitate to call.

Sincerely,



Patrick L. Sharrock
Director
(907) 277-8638

PLB:cr
Enclosures

cc w/encl: Representative Dave Donley

87-97

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE
JUNEAU, ALASKA 99801-1796
PHONE (907) 465-2400

May 8, 1987

The Honorable Heinrich Springer
Chair, House Community and
Regional Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Springer:

Subject: House Bill 297, which would require that official notice be provided to community councils of certain state actions.

Position: The Department of Natural Resources cannot support this bill because of the potential liability it would create for failure to give notice, and the difficulties the department will face in determining the names, locations and boundaries of the various community councils.

Background: The department undertakes hundreds of actions each year that require public notice. Municipalities are currently provided notice of activities that will occur within municipal boundaries. This bill would place an additional burden on the department that could more appropriately be borne by local governments.

Community councils are created under municipal charter or ordinance. There is no statewide federation of councils that can supply information about council locations. To date, the only councils we have identified are the 36 within the Municipality of Anchorage and the 13 within the Matanuska-Susitna Borough. We do not know whether other community councils exist. Obtaining reliable data concerning the boundaries of identified councils will take additional time and the opportunities for error will be great.

Recommendations: We suggest this bill be amended to require local governments that receive notice under 38.05.945(c) to notify their respective community councils about the proposed



Dept. of Transportation & Public Facilities

POSITION PAPER

BILL NO: CSHB 297 (SA) HOUSE 1/29/88

W.K. Galan
APPROVED: Mark S. Hickey
Commissioner

TITLE: An Act relating to the notification to community councils and postmasters of certain state actions

DATE: January 25, 1988

The department has no objection to the language within Section 6 which would amend AS 35.30.010(a). The department takes this position on the following assumptions.

With respect to the language of subparagraph (3), lines 9-12 page 4, the department must assume that the community councils are established by municipal charter or ordinance and that the charter or ordinance provides for resolving differences of opinion on a local level. Furthermore it is assumed that a single local entity will be empowered to represent the community as a whole and that DOT&PF would look solely to this entity for approval. Based on the validity of these assumptions the department perceives no significant fiscal impact.

The department has no objection to the inclusion of subparagraph (4), lines 13-18 as such notification would not create any undo procedural or fiscal hardship.

It is suggested that the term "community council" as noted in subparagraph (3) be defined in a manner commensurate with the language provided within Section 7, lines 23 and 24 page 4, to read, "...community council established by municipal charter or ordinance..."

DRAFT CS FOR HB 297 (FIN)
(Relating to the notification to community councils
and nonprofit community organizations of certain state actions)

ABC BOARD:

Section 1. AS 04.11.310(b)

Relates to ABC Board notification procedures upon receipt of an application for various types of liquor licenses.

- 1) Clarifies current statutory language regarding board's notification to community councils and requires board to notify each community council whose boundary is within 1/2 mile of the applicant's premises or proposed premises.
- 2) Requires board to notify any nonprofit community organization that has requested notification in writing.

Section 2. AS 04.11.510(b)

Relates to procedures for action on license applications, suspension and revocations.

If the board decides to hold a hearing, adds language requiring the board to notify community councils and nonprofits entitled to notification under Section 1 of the bill at least 20 days prior to hearing.

Section 3. Adds new subsection AS 04.11.525 to include notification to community councils under "Board Procedures".

CORRECTIONS:

Section 4. Adds new section AS 33.30.025 relating to siting of prison facilities.

Requires the Department of Corrections to notify community councils whose boundary is within 1/2 mile of the site of a proposed facility.

DEPARTMENT OF TRANSPORTATION:

Section 5. Amends AS 35.30.010(a) relating to review and approval by local planning authorities.

Amends statutes to include notification to community councils whose boundary is within 1/2 mile of the site of a proposed public construction project.

DEPARTMENT OF NATURAL RESOURCES:

Section 6. Amends AS 78.05.945(c) relating to requirements for notice given by the department for certain actions.

Amends statutes to include notification to community councils coordinating body of actions involving classification or reclassification of state land; zoning; or the sale, lease or disposal of an interest in state land or resources if a community council or coordinating body requests notice in writing.

DIFFERENCES BETWEEN FINANCE DRAFT CS and STATE AFFAIRS CS:

1. Deleted Section 1 of State Affairs CS because it placed undue restrictions on Board actions and subjected board to possible legal action if an item were added to an agenda after the 10 day limit.

Notification is adequately covered in new Finance CS, Section 1 - AS 04.11.310(b). Provision for notification to nonprofit community organizations was also added in the draft Finance CS under new Section 1.

2. Section 2 in draft Finance CS makes technical change on line 23 (cross reference).
3. Section 3 in draft Finance CS, lines 8 and 9, were rewritten to clarify language in State Affairs CS and adds a cross reference.

NOTE: 1) Fiscal note for Department of Revenue should be eliminated.

- 2) If the question comes up regarding the differing language for community council notification in the sections dealing with DNR, DOT/PF and CORRECTIONS, Donley is prepared to suggest that the same language used for DNR notification also be used for DOT/PF and CORRECTIONS notifications.

SENATE COMMITTEE REPORT

FURTHER

FINANCE

4/28/88

DATE TURNED INTO OFFICE

4/28/88

Mr. President:

C&RA

Committee considered

CSHB 297 (FIN) am

notification to community councils and nonprofit community organizations of certain state actions

and recommended

[X] replace with SCS bills HB 297 (C+RA)) [X] same title
[] or adopt _____ CS _____) [] new title

[] attached amendment(s) and

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted _____

Committee [] attached or [] adopted fiscal note(s)

2 [X] new [] updated or [] previous
[X] zero [] fiscal impact

*Report it back as follows
CS coming*

2 PFN

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

1 Mike Spadei

2 Tim Kelly - No Rec

1 Curtis Stupulis Do Pass
Chairman signature and recommendation

[] Committee Backup attached

SENATE COMMITTEE REPORT

5-0839T

FURTHER C&RA
FINANCE

DATE TURNED INTO OFFICE 4-28-88

3/10/88
Mr. President:

State Affairs _____ Committee considered CSHB 297 (FIN) am

notification to community councils and nonprofit community organizations of certain state actions

and recommended

[] replace with major CS CSHB 297 (SA)) same title
[] or adopt _____ CS _____) [] new title

[] attached amendment(s) and

do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted _____

Committee attached or [] adopted fiscal note(s)

new [] updated or [] previous

[] zero fiscal impact

MEMBERS SIGNING TO PASS

OTHER RECOMMENDATIONS

Rich Kelly (DO PASS)
Joe [Signature]

[Signature]
Chairman signature and recommendation

[] Committee Backup attached

Offered: 4/28/88
Referred: Community and Regional
Affairs and Finance

5-0839T

Original sponsors: Donley, Boucher,
Brown, et al.

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE
2 SENATE CS FOR CS FOR HOUSE BILL NO. 297 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL
6 For an Act entitled: "An Act relating to the notification to community
7 councils and nonprofit community organizations of
8 certain state actions."

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

10 * Section 1. AS 04.11.310(b) is amended to read:

11 (b) Upon receipt of an application for the issuance, renewal,
12 relocation, or transfer of ownership of a license for premises or
13 proposed premises that are located within one-half mile of the boun-
14 dary [WITHIN AN AREA OF A MUNICIPALITY UNDER THE JURISDICTION] of a
15 community council established by municipal charter or ordinance [TO
16 ADVISE THE MUNICIPAL GOVERNING BODY, OR WITHIN AN AREA ADJACENT TO
17 SUCH AN AREA], the board shall

18 (1) immediately provide [TO THE COMMUNITY COUNCIL] written
19 notice of the application to

20 (A) the community council; and

21 (B) any nonprofit community organization that has
22 requested notification in writing; and

23 (2) at least 10 days before the date set for board action
24 on the application provide [TO THE COMMUNITY COUNCIL] written notice
25 of the proposed action and the time and place for a hearing to

26 (A) the community council; and

27 (B) any nonprofit community organization that has
28 requested notification in writing.

29 * Sec. 2. AS 04.11.510(b) is amended to read:

1 (b) The board may review an application for the issuance, renew-
2 al, transfer of location, or transfer to another person of a license
3 without affording the applicant notice or hearing, except

4 (1) if an application is denied, the notice of denial shall
5 be furnished the applicant immediately in writing stating the reason
6 for the denial in clear and concise language; the notice of denial
7 shall inform the applicant that the applicant is entitled to an in-
8 formal conference with either the director or the board, and that,
9 if not satisfied by the informal conference, the applicant is then
10 entitled to a formal hearing before the board; if the applicant re-
11 quests a formal hearing, the board shall adhere to AS 44.62.330 -
12 44.62.630 (Administrative Procedure Act); all interested persons may
13 be heard at the hearing and unless waived by the applicant and the
14 board, the formal hearing shall be held in the area for which the
15 application is requested;

16 (2) the board may, on its own initiative or in response to
17 an objection or protest, hold a hearing to ascertain the reaction of
18 the public or a local governing body to an application if a hearing is
19 not required under [(1), (3), OR (4) OR] this subsection and the board
20 shall send notice of a hearing conducted under this paragraph 20 days
21 in advance of the hearing to each community council established within
22 the municipality and to each nonprofit community organization entitled
23 to notification under AS 04.11.310(b);

24 (3) if a petition containing the signatures of 35 percent
25 of the adult residents having a permanent place of abode outside of
26 but within two miles of an incorporated city or an established village
27 is filed with the board, the board shall hold a public hearing on the
28 question of whether the issuance, renewal, or transfer of the license
29 in the city or village would be in the public interest;

1 (4) if a protest to the issuance, renewal, transfer of
2 location or transfer to another person of a license made by a local
3 governing body is based on a question of law, the board shall hold a
4 public hearing.

5 * Sec. 3. AS 04.11 is amended by adding a new section to read:

6 Sec. 04.11.525. NOTICE TO COMMUNITY COUNCIL. On receipt of an
7 application for the issuance, renewal, relocation, or transfer of the
8 ownership of a license, the board shall provide written notice under
9 AS 04.11.310(b).

10 * Sec. 4. AS 33.30 is amended by adding a new section to read:

11 Sec. 33.30.025. SITING OF PRISON FACILITIES. The commissioner
12 shall notify each community council established by municipal charter
13 or ordinance of the department's plans to locate a prison facility or
14 to contract for the operation of a prison facility, community residen-
15 tial facility, or other rehabilitation program if the facility or
16 proposed facility will be within one-half mile of the boundary of the
17 area represented by a community council.

18 * Sec. 5. AS 35.30.010(a) is amended to read:

19 (a) Except as provided in (b) of this section, before commencing
20 construction of a public project,

21 (1) if the project is located in a municipality, the de-
22 partment shall submit the plans for the project to the planning com-
23 mission of the municipality for review and approval;

24 (2) if the project is located within two miles of a vil-
25 lage, the department shall submit the plans to the village council for
26 review and comment;

27 (3) if the project is located within one-half mile of the
28 boundary of an area represented by a community council established by
29 municipal charter or ordinance, the department shall submit the plans

1 to the community council for review and comment.

2 * Sec. 6. AS 38.05.945(c) is amended to read:

3 (c) Notice at least 30 days before action under (a) of this
4 section shall also be given to the following:

5 (1) to a municipality if the land is within the boundaries
6 of the municipality, to a coordinating body established by community
7 councils in a municipality if the coordinating body or a community
8 council within the area served by a coordinating body requests notice
9 in writing; if there is no coordinating body within the municipality,
10 notice shall be provided to each community council established by the
11 charter or ordinance of the municipality if the land is located within
12 the boundaries of the municipality and if the community council re-
13 quests notice in writing;

14 (2) to a regional corporation if the boundaries of the
15 corporation as established by sec. 7(a) of the Alaska Native Claims
16 Settlement Act encompass the land and the land is outside a municipal-
17 ity;

18 (3) to a village corporation organized under sec. 8(a) of
19 the Alaska Native Claims Settlement Act if the land is within 25 [SIX]
20 miles of the village for which the corporation was established and the
21 land is located outside a municipality;

22 (4) to the postmaster of a permanent settlement of more
23 than 25 persons located within 25 [SIX] miles of the land if the land
24 is located outside a municipality, with a request that the notice be
25 posted in a conspicuous location;

26 (5) to a nonprofit community organization or a governing
27 body that has requested notification in writing and provided a map of
28 its boundaries, if the land is within the boundaries.

29 * Sec. 7. AS 38.05.945 is amended by adding new subsections to read:

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

1 to the community council for review and comment.

2 * Sec. 6. AS 38.05.945(c) is amended to read:

3 (c) Notice at least 30 days before action under (a) of this
4 section shall also be given to the following:

5 (1) to a municipality if the land is within the boundaries
6 of the municipality, to a coordinating body established by community
7 councils in a municipality if the coordinating body or a community
8 council within the area served by a coordinating body requests notice
9 in writing; if there is no coordinating body within the municipality,
10 notice shall be provided to each community council established by the
11 charter or ordinance of the municipality if the land is located within
12 the boundaries of the municipality and if the community council re-
13 quests notice in writing;

14 (2) to a regional corporation if the boundaries of the
15 corporation as established by sec. 7(a) of the Alaska Native Claims
16 Settlement Act encompass the land and the land is outside a municipal-
17 ity;

18 (3) to a village corporation organized under sec. 8(a) of
19 the Alaska Native Claims Settlement Act if the land is within 25 [SIX]
20 miles of the village for which the corporation was established and the
21 land is located outside a municipality;

22 (4) to the postmaster of a permanent settlement of more
23 than 25 persons located within 25 [SIX] miles of the land if the land
24 is located outside a municipality, with a request that the notice be
25 posted in a conspicuous location;

26 (5) to a nonprofit community organization or a governing
27 body that has requested notification in writing and provided a map of
28 its boundaries, if the land is within the boundaries.

29 * Sec. 7. AS 38.05.945 is amended by adding new subsections to read:

1 (g) Failure to give notice under this section to a community
2 council, a coordinating body established by community council, or
3 an organization listed in (c)(5) of this section does not constitute a
4 legal basis for invalidation of the action.

5 (h) Notice of an action under (a) of this section shall also be
6 given, upon the receipt of a request in writing, to a

7 (1) community council established by the charter or ordi-
8 nance of the municipality if the land is located within the boundaries
9 of the municipality;

10 (2) coordinating body established by community councils in
11 a municipality in which the land is located;

12 (3) nonprofit community organization or a governing body if
13 the land is within the boundaries.

14 (i) Failure to give notice under this section to a community
15 council, coordinating body established by community council, or
16 organization listed in (h)(3) of this section does not constitute a
17 legal basis for invalidation of the action.

Original sponsors: Donley, Boucher,
Brown, et al.

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 297 (Finance) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the notification to community
7 councils and nonprofit community organizations of
8 certain state actions."

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

10 * Section 1. AS 04.11.310(b) is amended to read:

11 (b) Upon receipt of an application for the issuance, renewal,
12 relocation, or transfer of ownership of a license for premises or
13 proposed premises that are located within one-half mile of the boun-
14 dary [WITHIN AN AREA OF A MUNICIPALITY UNDER THE JURISDICTION] of a
15 community council established by municipal charter or ordinance [TO
16 ADVISE THE MUNICIPAL GOVERNING BODY, OR WITHIN AN AREA ADJACENT TO
17 SUCH AN AREA], the board shall

18 (1) immediately provide [TO THE COMMUNITY COUNCIL] written
19 notice of the application to

20 (A) the community council; and

21 (B) any nonprofit community organization that has
22 requested notification in writing; and

23 (2) at least 10 days before the date set for board action
24 on the application provide [TO THE COMMUNITY COUNCIL] written notice
25 of the proposed action and the time and place for a hearing to

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27 (B) any nonprofit community organization that has
28 requested notification in writing.

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3 without affording the applicant notice or hearing, except

4 (1) if an application is denied, the notice of denial shall
5 be furnished the applicant immediately in writing stating the reason
6 for the denial in clear and concise language; the notice of denial
7 shall inform the applicant that the applicant is entitled to an in-
8 formal conference with either the director or the board, and that,
9 if not satisfied by the informal conference, the applicant is then
10 entitled to a formal hearing before the board; if the applicant re-
11 quests a formal hearing, the board shall adhere to AS 44.62.330 -
12 44.62.630 (Administrative Procedure Act); all interested persons may
13 be heard at the hearing and unless waived by the applicant and the
14 board, the formal hearing shall be held in the area for which the
15 application is requested;

16 (2) the board may, on its own initiative or in response to
17 an objection or protest, hold a hearing to ascertain the reaction of
18 the public or a local governing body to an application if a hearing is
19 not required under [(1), (3), OR (4) OR] this subsection and the board
20 shall send notice of a hearing conducted under this paragraph 20 days
21 in advance of the hearing to each community council established within
22 the municipality and to each nonprofit community organization entitled
23 to notification under AS 04.11.310(b);

24 (3) if a petition containing the signatures of 35 percent
25 of the adult residents having a permanent place of abode outside of
26 but within two miles of an incorporated city or an established village
27 is filed with the board, the board shall hold a public hearing on the
28 question of whether the issuance, renewal, or transfer of the license
29 in the city or village would be in the public interest;

1 (4) if a protest to the issuance, renewal, transfer of
2 location or transfer to another person of a license made by a local
3 governing body is based on a question of law, the board shall hold a
4 public hearing.

5 * Sec. 3. AS 04.11 is amended by adding a new section to read:

6 Sec. 04.11.525. NOTICE TO COMMUNITY COUNCIL. On receipt of an
7 application for the issuance, renewal, relocation, or transfer of the
8 ownership of a license, the board shall provide written notice under
9 AS 04.11.310(b).

10 * Sec. 4. AS 33.30 is amended by adding a new section to read:

11 Sec. 33.30.025. SITING OF PRISON FACILITIES. The commissioner
12 shall notify each community council established by municipal charter
13 or ordinance of the department's plans to locate a prison facility or
14 to contract for the operation of a prison facility, community residen-
15 tial facility, or other rehabilitation program if the facility or
16 proposed facility will be within one-half mile of the boundary of the
17 area represented by a community council.

18 * Sec. 5. AS 35.30.010(a) is amended to read:

19 (a) Except as provided in (b) of this section, before commencing
20 construction of a public project,

21 (1) if the project is located in a municipality, the de-
22 partment shall submit the plans for the project to the planning com-
23 mission of the municipality for review and approval;

24 (2) if the project is located within two miles of a vil-
25 lage, the department shall submit the plans to the village council for
26 review and comment;

27 (3) if the project is located within one-half mile of the
28 boundary of an area represented by a community council established by
29 municipal charter or ordinance, the department shall submit the plans

1 to the community council for review and comment.

2 * Sec. 6. AS 38.05.945(c) is amended to read:

3 (c) Notice at least 30 days before action under (a) of this
4 section shall also be given to the following:

5 (1) to a municipality if the land is within the boundaries
6 of the municipality, to a coordinating body established by community
7 councils in a municipality if the coordinating body or a community
8 council within the area served by a coordinating body requests notice
9 in writing; if there is no coordinating body within the municipality,
10 notice shall be provided to each community council established by the
11 charter or ordinance of the municipality if the land is located within
12 the boundaries of the municipality and if the community council re-
13 quests notice in writing;

14 (2) to a regional corporation if the boundaries of the
15 corporation as established by sec. 7(a) of the Alaska Native Claims
16 Settlement Act encompass the land and the land is outside a municipal-
17 ity;

18 (3) to a village corporation organized under sec. 8(a) of
19 the Alaska Native Claims Settlement Act if the land is within 25 [SIX]
20 miles of the village for which the corporation was established and the
21 land is located outside a municipality;

22 (4) to the postmaster of a permanent settlement of more
23 than 25 persons located within 25 [SIX] miles of the land if the land
24 is located outside a municipality, with a request that the notice be
25 posted in a conspicuous location;

26 (5) to a nonprofit community organization or a governing
27 body that has requested notification in writing and provided a map of
28 its boundaries, if the land is within the boundaries.

29 * Sec. 7. Sec. 38.05.945 is amended by adding a new subsection to read:

1 (g) Failure to give notice under this section to a community
2 council, a coordinating body established by community council, or
3 organization listed in (c)(5) of this section shall not constitute a
4 legal basis for invalidation of the action.

H B

2 9 8

HOUSE COMMITTEE REPORT

(11)

Date referred: 4/29/87

FURTHER REFERRALS:

DATE: 5/4/87

The Finance Committee has considered HB 298

"An Act making appropriations to the Alaska Student Loan Corporation for the student loan fund; making an appropriation from the student loan fund to the general fund; and providing for an effective date."

RECOMMENDS:

- replace with CS HB 298 (Fin) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

ADAMS [Signature]

POURCHOT [Signature]

LARSON [Signature]

BOYER [Signature]

GOLL [Signature]

BROWN [Signature]

DAVIS [Signature]

SIGNING OTHER RECOMMENDATIONS:

~~[Signature]~~

FRANK [Signature]

WALLIS [Signature]

RIEGER [Signature]

[Signature]
Chairman's signature

Original sponsor: Finance Committee

Funding Information

General Fund	\$15,700,000
Other Funds	22,000,000
	<u>\$37,700,000</u>

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 298 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making appropriations to the Alaska Student
7 Loan Corporation for the student loan fund; making an
8 appropriation from the student loan fund to the
9 general fund; and providing for an effective date."

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

11 * Section 1. The sum of \$37,700,000 is appropriated from the general
12 fund to the Alaska Student Loan Corporation, student loan fund (AS 14.42.-
13 210), to capitalize the loan fund.

14 * Sec. 2. All unrestricted student loan interest payments and all other
15 unrestricted receipts of the Alaska Student Loan Corporation received by or
16 accruing to the corporation during the fiscal year ending June 30, 1988,
17 including income earned on assets of the corporation, are appropriated to
18 the student loan fund (AS 14.42.210) for the purposes of AS 14.42.

19 * Sec. 3. The sum of \$22,000,000 is appropriated from the student loan
20 fund (AS 14.42.210) to the general fund.

21 * Sec. 4. Sections 1 and 2 of this Act take effect on the effective
22 date of an Act passed by the First Session of the Fifteenth Alaska State
23 Legislature that establishes a student loan corporation with the power to
24 issue revenue bonds and that establishes the student loan fund.

25 * Sec. 5. Section 3 of this Act takes effect on the date the Alaska
26 Student Loan Corporation first issues bonds under AS 14.42.

Funding Information
General Fund \$15,700,000
Other Funds 22,000,000
\$37,700,000

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 HOUSE BILL NO. 298

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making appropriations to the Alaska Student
7 Loan Corporation for the student loan fund; making an
8 appropriation from the student loan fund to the
9 general fund; and providing for an effective date."

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

11 * Section 1. The sum of \$37,700,000 is appropriated from the general
12 fund to the Alaska Student Loan Corporation, student loan fund
13 (AS 14.42.210), to capitalize the loan fund.

14 * Sec. 2. All unrestricted student loan interest payments and all other
15 unrestricted receipts of the Alaska Student Loan Corporation received by or
16 accruing to the corporation during the fiscal year ending June 30, 1988,
17 including income earned on assets of the corporation, are appropriated to
18 the student loan fund (AS 14.42.210) for the purposes of AS 14.42.

19 * Sec. 3. The sum of \$22,000,000 is appropriated from the student loan
20 fund (AS 14.42.210) to the general fund.

21 * Sec. 4. Sections 1 and 2 of this Act take effect on the effective
22 date of an Act passed by the First Session of the Fifteenth Alaska State
23 Legislature that establishes a student loan corporation with the power to
24 issue revenue bonds and that establishes the student loan fund.

25 * Sec. 5. Section 3 of this Act takes effect on the date the Alaska
26 Student Loan Corporation first sells bonds under AS 14.42.

C S H B

2 9 8

SENATE COMMITTEE REPORT

FURTHER:

5/13/87

DATE TURNED INTO OFFICE 5/17/87

Mr. President:

FINANCE

Committee considered CSHB 298(Fin)

appropriations to the Alaska Student Loan Corporation for the student loan fund; making an appropriation from the student loan fund to the general fund; efd.

and recommended:

replace with Senate CS FOR CS HB 298(Fin)) same title
 or adopt _____ CS FOR _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

[Signature]
Paul [Signature]
[Signature]
W. [Signature]
[Signature]

OTHER RECOMMENDATIONS

Paul [Signature] (No Pass)

[Signature] DO PASS
Chairman signature and recommendation

Committee Backup Attached

Original sponsor: Finance Committee

Funding Information

General Fund	\$15,700,000
Funds	41,000,000
	<u>\$56,700,000</u>

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 298 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making appropriations to the Alaska Student
7 Loan Corporation for the student loan fund; making an
8 appropriation from the student loan fund to the
9 general fund; and providing for an effective date."

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

11 * Section 1. The sum of \$56,700,000 is appropriated from the general
12 fund to the Alaska Student Loan Corporation, student loan fund (AS 14.42.-
13 210), to capitalize the loan fund.

14 * Sec. 2. All unrestricted student loan interest payments and all other
15 unrestricted receipts of the Alaska Student Loan Corporation received by or
16 accruing to the corporation during the fiscal year ending June 30, 1988,
17 including income earned on assets of the corporation, are appropriated to
18 the student loan fund (AS 14.42.210) for the purposes of AS 14.42.

19 * Sec. 3. The sum of \$41,000,000 is appropriated from the student loan
20 fund (AS 14.42.210) to the general fund.

21 * Sec. 4. Sections 1 and 2 of this Act take effect on the effective
22 date of an Act passed by the First Session of the Fifteenth Alaska State
23 Legislature that establishes a student loan corporation with the power to
24 issue revenue bonds and that establishes the student loan fund.

25 * Sec. 5. Section 3 of this Act takes effect on the date the Alaska
26 Student Loan Corporation first issues bonds under AS 14.42.

Original sponsor: Finance Committee

Funding Information

General Fund	\$15,700,000
Other Funds	22,000,000
	<u>\$37,700,000</u>

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 298 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making appropriations to the Alaska Student
7 Loan Corporation for the student loan fund; making an
8 appropriation from the student loan fund to the
9 general fund; and providing for an effective date."

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

11 * Section 1. The sum of \$37,700,000 is appropriated from the general
12 fund to the Alaska Student Loan Corporation, student loan fund (AS 14.42.-
13 210), to capitalize the loan fund.

14 * Sec. 2. All unrestricted student loan interest payments and all other
15 unrestricted receipts of the Alaska Student Loan Corporation received by or
16 accruing to the corporation during the fiscal year ending June 30, 1988,
17 including income earned on assets of the corporation, are appropriated to
18 the student loan fund (AS 14.42.210) for the purposes of AS 14.42.

19 * Sec. 3. The sum of \$22,000,000 is appropriated from the student loan
20 fund (AS 14.42.210) to the general fund.

21 * Sec. 4. Sections 1 and 2 of this Act take effect on the effective
22 date of an Act passed by the First Session of the Fifteenth Alaska State
23 Legislature that establishes a student loan corporation with the power to
24 issue revenue bonds and that establishes the student loan fund.

25 * Sec. 5. Section 3 of this Act takes effect on the date the Alaska
26 Student Loan Corporation first issues bonds under AS 14.42.

SENATE COMMITTEE REPORT

FURTHER: FINANCE

5/6/87

DATE TURNED INTO OFFICE 5/12/87

Mr. President:

HESS, JEFF Committee considered CSHB 298(Fin)

appropriations to the Alaska Student Loan Corporation for the student loan fund; making an appropriation from the student loan fund to the general fund; efd.

and recommended:

replace with CS FOR _____) same title
 or adopt _____ CS FOR _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)
 new updated or previous *appropriation*
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Joe Josephson

Rich. Halford

Halford

Halford

Keefe Do Not Pass

Paul Frink Do Pass

Chairman signature and recommendation

Committee Backup Attached

HB

299

(11)

HOUSE COMMITTEE REPORT

Date referred: 3/17/88

FURTHER REFERRALS:

DATE: 4-18-88

The Finance Committee has considered HB 299

"An Act revising the state gaming laws."

RECOMMENDS:

- replace with CS HB 299 (FIN) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Adams Al Adams

Pourchet Pat Pourchet

Larson Don Larson

Goll Bob Goll

Swack Bob Swack

Boyer Mike Boyer

Rieger Steve Rieger

Frank John Frank

Wallis Karl Wallis

Brown Ray Brown

SIGNING OTHER RECOMMENDATIONS:

Davis Mike Davis

Al Adams

Chairman's signature

FISCAL NOTE

REQUEST

Revision Date: 3/18/88 Agency Affected: Public Safety
 Title: "An Act relating to games of chance..." BRU: Alaska State Troopers
 Sponsor: Labor & Commerce Committee Components: Detachments & CIB
 Requestor: House Judiciary

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL		-0-	-0-	-0-	-0-	-0-
REVENUE		-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

According to Mr. John Hansen, Office Audit Supervisor, Department of Revenue, that department will be responsible for conducting the background checks of permittees and licensees referred to in paragraph 5 of the bill, with only occasional assistance from the Department of Public Safety.

Prepared by: Gayle A. Horetski, Deputy Commissioner Phone: 465-4322
 Division: Commissioner's Office Date: 3/18/88

Approved by Commissioner: *G. A. Horetski, Dep. Comm.* Date: 3-18-88
 Agency: Public Safety

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

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: CSHB 299 (FIN)
PUBLISH DATE: 4/12/88

FISCAL NOTE

REQUEST: _____

Revision Date: _____
Title: "An Act revising the state
gaming laws."
Sponsor: _____
Requestor: Labor and Commerce

Agency Affected: Revenue
BRU: Income and Excise Audit Division
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES		203.4	203.4	203.4	203.4	203.4
TRAVEL		53.3	53.3	53.3	53.3	53.3
CONTRACTUAL		33.5	33.5	33.5	33.5	33.5
SUPPLIES		1.4	1.4	1.4	1.4	1.4
EQUIPMENT		10.5	-	-	-	-
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		302.1	291.6	291.6	291.6	291.6
CAPITAL						
REVENUE		343.7	343.7	343.7	343.7	343.7

FUNDING: (Thousands of Dollars)

GENERAL FUND		302.1	291.6	291.6	291.6	291.6
FEDERAL FUNDS		-	-	-	-	-
OTHER		-	-	-	-	-
TOTAL						

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel
Division: Income and Excise Audit Division

Phone: (907) 465-2320
Date: April 12, 1988

Approved by Commissioner: Hugh Malene
Agency: _____

Date: 4/12/88

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

Prepared by: Steven E. Kettel
Income and Excise Audit Division
Department of Revenue
April 12, 1988

CSHB 299

ESTIMATED REVENUES

Based on 1986 Figures:

\$20 License fee @ 415 permits 8300
\$50 License fee @ 362 permits 18100
\$100 License fee @ 150 permits 15000

\$41,400

1% net proceeds fee 22,708

\$22,708

\$222,046 GRAND TOTAL

Pull Tab Distributors License fee @ 6 @ 1000 = \$6,000
Pull Tab Distributors License fee @ 25 @ 500 = \$12,500

Pull Tab Net Proceeds Fee \$261,069

GRAND TOTAL \$343,677

The expenditures incurred to administer the bill will be funded through program receipts.

Original sponsor: Labor and Commerce
Committee

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 299 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the conduct of games of chance
7 and contests of skill by municipalities and nonprofit
8 organizations; and regulation of operators and pull-
9 tabs."

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

11 * Section 1. AS 05.15.020 is repealed and reenacted to read:

12 Sec. 05.15.020. ANNUAL PERMIT AND FEES. (a) A municipality or
13 qualified organization may conduct an activity permitted under this
14 chapter, if the municipality or qualified organization pays the appro-
15 priate permit fee and receives an annual permit issued by the depart-
16 ment. The annual permit fee is

17 (1) \$20 for an applicant that did not hold a permit during
18 the preceding year;

19 (2) \$20 for an applicant that had gross receipts of less
20 than \$20,000 from activities conducted under this chapter during the
21 preceding year;

22 (3) \$50 for an applicant that had gross receipts of \$20,000
23 or more but not exceeding \$100,000 from activities conducted under
24 this chapter during the preceding year; or

25 (4) \$100 for an applicant that had gross receipts exceeding
26 \$100,000 from activities conducted under this chapter during the
27 preceding year.

28 (b) An additional fee of one percent of the net proceeds re-
29 ceived during the preceding year from the activities authorized under

1 the permit shall be paid to the department annually by the municipal-
2 ity or qualified organization authorized to conduct activities under
3 this chapter, if the gross receipts for the activities were \$20,000 or
4 more.

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

6 Sec. 05.15.025. MONEY DEPOSITED IN GENERAL FUND. Money received
7 by the department under this chapter shall be deposited in the general
8 fund. The commissioner of administration shall separately account for
9 the money deposited in the general fund under this section. The
10 annual estimated balance in the account may be used by the legislature
11 to make appropriations to the department to carry out enforcement of
12 this chapter.

13 * Sec. 3. AS 05.15.030(a) is amended to read:

14 (a) At the time of filing an application for a permit or license
15 under this chapter the applicant shall notify the city or borough
16 nearest to the location of the proposed activity of the application.
17 A local government unit may protest the conduct of the activity in its
18 jurisdiction by resolution stating the reasons for the protest filed
19 with the department; protests are limited to the lack of qualifica-
20 tions prescribed by this chapter. This resolution is only a recommen-
21 dation by the city which may be considered by the commissioner in
22 determining whether to issue or refuse to issue a permit or license.

23 * Sec. 4. AS 05.15.030 is amended by adding a new subsection to read:

24 (c) If a permittee or licensee changes the location of an activ-
25 ity in the jurisdiction for which a permit has been issued, the per-
26 mittee shall notify the department and the local government within 10
27 days after moving to the new location.

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

29 Sec. 05.15.060. REGULATIONS. The department shall adopt

1 regulations under the Administrative Procedure Act (AS 44.62) neces-
2 sary to carry out this chapter covering, but not limited to

3 (1) the issuance, renewal, and revocation of permits and
4 licenses;

5 (2) a method of ascertaining net proceeds, the determina-
6 tion of items of expense that may be incurred or paid and the limita-
7 tion of the amount of the items of expense to prevent the proceeds
8 from the activity permitted from being diverted to noncharitable,
9 noneducational, nonreligious, or profit-making organizations, indi-
10 viduals, or groups;

11 (3) the immediate revocation of permits and licenses au-
12 thorized under this chapter if this chapter or regulations adopted
13 under it are violated;

14 (4) the requiring of detailed, sworn, financial reports of
15 operations from permittees and licensees including detailed statements
16 of receipts and payments;

17 (5) the investigation of permittees, licensees, and their
18 employees, including the fingerprinting of those permittees, licens-
19 ees, and employees whom the commissioner considers it advisable to
20 fingerprint;

21 (6) exclusion from participation as a permittee, licensee,
22 or employee of a permittee or licensee of a person convicted of, in
23 prison for, or on parole for a felony within the preceding five years
24 or convicted of a crime involving theft or dishonesty or of a viola-
25 tion of a municipal, state, or federal gambling law;

26 (7) the method and manner of conducting authorized activi-
27 ties and awarding of prizes or awards, and the equipment that may be
28 used;

29 (8) the number of activities that may be held, operated, or

1 conducted under a permit during a specified period; however, the
2 department may not allow more than 14 bingo sessions a month and 35
3 bingo games a session to be conducted under a permit;

4 (9) a method of accounting for receipts and disbursements
5 by operators, including the keeping of records and requirements for
6 the deposit of all receipts in a bank;

7 (10) the disposition of funds in possession of a permittee
8 or a person, municipality, or qualified organization that possesses an
9 operator's license at the time a permit or a license is surrendered,
10 revoked, or invalidated;

11 (11) restrictions on the participation by employees of the
12 Department of Fish and Game in salmon classics;

13 (12) other matters the commissioner considers necessary to
14 carry out this chapter or protect the best interest of the public.

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

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

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

24 Sec. 05.15.080. REPORTS AND FEES REQUIRED OF MUNICIPALITIES AND
25 QUALIFIED ORGANIZATIONS. (a) A municipality or a qualified organiza-
26 tion issued a permit under this chapter shall file a report with the
27 department by the 45th day following each calendar quarter in which
28 the permittee had gross receipts of \$50,000 or more from activities
29 authorized under this chapter. The report must include the type of

1 activity conducted, the date and location of the activity, the amount
2 of gross receipts, the amount of authorized expenses, the value of
3 prizes awarded, the amount of net proceeds, and other information the
4 department may require. However, if the only activity conducted by a
5 municipality or qualified organization during a calendar quarter is a
6 raffle or lottery, then the municipality or qualified organization is
7 not required to file a report under this subsection until the raffle
8 or lottery is completed.

9 (b) A municipality or a qualified organization issued a permit
10 under this chapter shall file an annual report with the department by
11 March 15 of the year following the year in which activities were con-
12 ducted, accompanied by the payment of the additional fee, as may be
13 required under AS 05.15.020(b). The report must list the types of
14 activities conducted, and, for each activity, the total amount of
15 gross receipts, the total amount of authorized expenses, the total
16 value of prizes awarded, and the total amount of net proceeds.

17 * Sec. 8. AS 05.15 is amended by adding new sections to read:

18 Sec. 05.15.083. REPORTS TO DEPARTMENT BY OPERATORS. (a) An
19 operator shall file a report with the department by the last business
20 day of the month following each calendar quarter in which an activity
21 was conducted. The report must include, for each authorizing permit-
22 tee on whose behalf an activity was conducted during the quarter, the
23 date and location of each activity, the type of activity conducted,
24 the amount of gross receipts, the amount of authorized expenses, the
25 value of prizes awarded, the amount of net proceeds paid, and other
26 information the department may require; a completed Internal Revenue
27 Service Form 941; and a copy of the operator's employer contributions
28 and wage reports submitted to the Department of Labor for the quarter.
29 However, if the only activity conducted by an operator during the

1 calendar quarter is a raffle or lottery, then the operator is not
2 required to file a report under this subsection until the raffle or
3 lottery is completed.

4 (b) An operator shall file an annual report with the department
5 no later than February 28 of the year following the year in which
6 activities were conducted. The report must include, for each autho-
7 rizing permittee on whose behalf an activity was conducted, the types
8 of activities conducted, the total amount of gross receipts, the total
9 amount of authorized expenses, the total value of prizes awarded, the
10 total amount of net proceeds paid to each authorizing permittee. The
11 annual report shall also include a completed Internal Revenue Service
12 Form W-2 for each person employed by the operator during the preceding
13 year.

14 Sec. 05.15.087. REPORTS TO PERMITTEE AND PAYMENT OF NET PRO-
15 CEEDS. (a) An operator shall file a monthly report with each author-
16 izing permittee for which the operator has conducted an activity
17 during the preceding month. The report must include a daily summary
18 of activity conducted under the permit issued to the authorizing
19 permittee and an accounting of gross receipts, expenses, and net
20 proceeds for the month. A check in the amount of the net proceeds due
21 to the authorizing permittee for the month must accompany the report.
22 The operator shall file the report by the 15th day after the end of
23 the month covered by the report.

24 (b) An operator shall file a quarterly report with each autho-
25 rizing permittee for which the operator has conducted an activity
26 during the preceding calendar quarter. The report must contain quar-
27 terly summaries and year-to-date totals of the information provided
28 under (a) of this section. The operator shall file the report by the
29 last day of the month following the end of the calendar quarter.

1 (c) An operator shall file an annual report with each authoriz-
2 ing permittee for which the operator has conducted an activity during
3 the preceding calendar year. The report must contain an annual sum-
4 mary of the information provided under (a) of this section. The
5 operator shall file this report by February 28 of the year following
6 the year in which the activities were conducted.

7 (d) An operator shall provide original invoice documents and
8 deposit slips upon the request of an authorizing permittee for whom
9 the operator has conducted activities.

10 * Sec. 9. AS 05.15.090 is amended to read:

11 Sec. 05.15.090. REPORTS TO THE LEGISLATURE. Before April 15
12 [MARCH 2] of each year the commissioner of revenue shall submit a
13 detailed report containing a summary of all reports required of per-
14 mittees and operators [RECOMMENDING A PERMIT FEE SCALE THAT WILL COVER
15 COSTS OF ADMINISTRATION AND ENFORCEMENT]. The attorney general and
16 the commissioner of public safety shall, within 10 days after the
17 convening of the legislature each year, submit a jointly prepared,
18 detailed report outlining the effect, if any, of the operation of this
19 chapter on the legal and law-enforcement activities of the state.

20 * Sec. 10. AS 05.15 is amended by adding a new section to article 1 to
21 read:

22 Sec. 05.15.095. GENERAL PROVISIONS RELATING TO THE FILING OF
23 APPLICATIONS AND REPORTS AND PAYMENT OF FEES. (a) The applications
24 and reports to the department required by this chapter shall be signed
25 under penalty of perjury by the following person, as applicable:

- 26 (1) the member in charge for the qualified organization;
27 (2) a person authorized to sign on behalf of the municipal-
28 ity;
29 (3) the operator or the operator's agent;

1 (4) the licensed pull-tab distributor or the distributor's
2 agent; or

3 (5) the licensed pull-tab manufacturer or the manufactur-
4 er's agent.

5 (b) A permittee or operator may not conduct an activity under
6 this chapter during a period in which a report or fee is delinquent.

7 (c) A delinquent fee bears interest at the rate set by AS 43.-
8 05.225.

9 (d) A permittee or licensee under this chapter shall pay a
10 penalty of one percent of the unpaid balance, as determined by the
11 department, of a fee due under this chapter for each 30-day period or
12 part of a 30-day period that the fee is delinquent. The department
13 may waive the penalty if the failure to pay the fee on time is due to
14 a reasonable cause, as defined by regulation adopted by the depart-
15 ment. The amount of the penalty may not exceed 25 percent of the
16 unpaid fee.

17 * Sec. 11. AS 05.15.100(a) is amended to read:

18 (a) The commissioner [OF REVENUE] may issue a permit to a munic-
19 ipality or qualified organization. The permit gives the municipality
20 or qualified organization the privilege of conducting bingo, raffles
21 and lotteries, pull-tab games, ice classics, rain classics, goose
22 classics, mercury classics, salmon classics, dog mushers' contests,
23 fish derbies, and contests of skill.

24 * Sec. 12. AS 05.15.100 is amended by adding a new subsection to read:

25 (c) The commissioner may issue an operator's license to a natu-
26 ral person to conduct an activity permitted under this chapter on
27 behalf of a municipality or a qualified organization. The commis-
28 sioner may also issue an operator's license to a municipality or a
29 qualified organization to conduct an activity on behalf of another

1 municipality or qualified organization.

2 * Sec. 13. AS 05.15 is amended by adding new sections to read:

3 Sec. 05.15.112. MEMBER IN CHARGE. (a) Each municipality or
4 qualified organization that receives a permit under this chapter shall
5 designate a member in charge.

6 (b) The member in charge is responsible for preparation, mainte-
7 nance, and transmittal of all records and reports required of the
8 permittee. The member in charge shall be a member of the qualified
9 organization or the board of directors of the qualified organization
10 or an employee of the municipality.

11 (c) The member in charge shall monitor the operator's perfor-
12 mance under and compliance with contracts for the conduct of activ-
13 ities on behalf of the authorizing permittee.

14 (d) The municipality or qualified organization shall designate
15 alternate members in charge who are responsible for the duties of the
16 member in charge in the absence of the member in charge.

17 Sec. 05.15.115. CONTRACTS BETWEEN PERMITTEES AND OPERATORS. (a)
18 A municipality or qualified organization holding a permit to conduct
19 an activity under this chapter may enter into a contract with an
20 operator licensed under this chapter to conduct on behalf of the
21 municipality or qualified organization those activities permitted
22 under the authority of the permit.

23 (b) The contract between an authorizing permittee and an opera-
24 tor must include the amount and form of compensation to be paid to the
25 operator, the term of the contract, the activities to be conducted by
26 the operator on behalf of the permittee, the location where the activ-
27 ities are to be conducted, the name and address of the member in
28 charge, and other provisions the department may require.

29 (c) A permittee may not contract with more than one operator at

1 a time to conduct the same type of activity. For the purposes of this
2 subsection, bingo games, raffles, lotteries, pull-tab games, ice
3 classics, rain classics, goose classics, mercury classics, salmon
4 classics, dog mushers' contests, fish derbies, contests of skill, and
5 all activities permitted under AS 05.15.100(b) are each a different
6 type of activity.

7 (d) A permittee shall submit to the department a copy of each
8 contract with an operator with whom the permittee contracts to conduct
9 activities subject to this chapter. The permittee shall submit to the
10 department a copy of the contract or subsequent amendment of the
11 contract by certified mail at least 15 days before activities are
12 conducted under the contract or amended contract.

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

14 Sec. 05.15.122. OPERATOR'S LICENSE. (a) A person, municipal-
15 ity, or qualified organization may not conduct an activity subject to
16 this chapter on behalf of a municipality or qualified organization
17 unless the person, municipality, or qualified organization has re-
18 ceived an operator's license issued by the department.

19 (b) The department may issue an operator's license to a natural
20 person, municipality, or qualified organization that

21 (1) applies on the form provided by the department;

22 (2) pays the annual fee of \$500;

23 (3) discloses the identity of persons employed by the
24 applicant in a managerial or supervisory capacity;

25 (4) submits proof of liability insurance satisfactory to
26 the department; and

27 (5) posts a bond or security satisfactory to the department
28 in the amount of \$25,000 for each permit under which the operator
29 operates up to a maximum of \$100,000.

1 (c) The department may not issue an operator's license to an
2 applicant if the applicant or a person employed by the applicant in a
3 managerial or supervisory capacity, has been convicted of, in prison
4 for, or on parole for a felony within the preceding five years or
5 convicted of a crime involving theft or dishonesty or of a violation
6 of a municipal, state, or federal gambling law.

7 (d) A licensee may not employ a person in a managerial or super-
8 visory capacity if the person has been convicted of, in prison for, or
9 on parole for a felony within the preceding five years or convicted of
10 a crime involving theft or dishonesty or of a violation of a munici-
11 pal, state, or federal gambling law.

12 Sec. 05.15.124. MUNICIPAL REGULATION OF OPERATORS. A munic-
13 ipality may by ordinance prohibit an operator from conducting activ-
14 ities under this chapter within the municipality.

15 Sec. 05.15.128. REVOCATION OF OPERATOR'S LICENSE. (a) The
16 department shall revoke the license of an operator who does not

17 (1) report an adjusted gross income of at least 15 percent
18 of gross income for two consecutive quarters based on the total opera-
19 tion of the operator; or

20 (2) pay to each authorizing permittee for two consecutive
21 quarters at least 15 percent of the adjusted gross income, as de-
22 termined under (1) of this subsection, received from activities con-
23 ducted on behalf of the authorizing permittee.

24 (b) A person, municipality, or qualified organization whose
25 operator's license has been revoked under this section may appeal the
26 revocation if the person, municipality, or qualified organization
27 submits to and pays for a complete audit of the operator's financial
28 records by the department. The results of the audit are conclusive.

29 * Sec. 15. AS 05.15.140(b) is amended to read:

1 (b) In an application for a permit, a municipality or qualified
2 organization shall disclose the name and address of each person re-
3 sponsible for the operation of the activity and whether any person
4 named

5 (1) has [EVER] been convicted of, in prison for, or on
6 parole for a felony within the preceding five years or convicted of a
7 crime involving theft or dishonesty or of a violation of a municipal,
8 state, or federal gambling law [MISDEMEANOR]; or

9 (2) has a prohibited financial interest, as defined in
10 regulations adopted by the commissioner, in the operation of the
11 activity.

12 * Sec. 16. AS 05.15.140(c) is amended to read:

13 (c) The commissioner [OF REVENUE] may not issue a permit for an
14 activity operated by a person who has been convicted of, in prison
15 for, or on parole for a felony within the preceding five years or
16 convicted of a crime involving theft or dishonesty or of a violation
17 of a municipal, state, or federal gambling law [MISDEMEANOR].

18 * Sec. 17. AS 05.15.160 is amended to read:

19 Sec. 05.15.160. AUTHORIZED EXPENSES. The only expenses that [AN
20 ITEM OF EXPENSE] may [NOT] be incurred or paid in connection with the
21 operation of an activity under a permit issued under this chapter are
22 [EXCEPT FOR] bona fide expenses reasonably necessary for

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

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

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

1 (A) an employee of the permittee; [MUNICIPALITY, QUAL-
2 IFIED ORGANIZATION,] or

3 (B) an operator [A CONSULTANT] hired by the permittee
4 to conduct [MUNICIPALITY OR QUALIFIED ORGANIZATION CONDUCTING]
5 the activity if [AND] the compensation is not related to the
6 receipts from the activity.

7 * Sec. 18. AS 05.15.160 is amended by adding a new subsection to read:

8 (b) Municipalities, qualified organizations, and operators may
9 pay their employees a reasonable amount in wages or other compensation
10 for personal services rendered by their employees while the employees
11 are engaged in activities subject to this chapter. A reasonable
12 amount of compensation is an amount approximating the amount ordinari-
13 ly paid by similar businesses for similar work performed under similar
14 circumstances.

15 * Sec. 19. AS 05.15 is amended by adding new sections to read:

16 Sec. 05.15.165. OPERATORS. (a) An operator shall pay net
17 proceeds to the authorizing permittee by check.

18 (b) If the department finds that an operator has incurred ex-
19 penses that are not authorized under AS 05.15.160, the department
20 shall order the operator to refund to the authorizing permittee the
21 amount of the unauthorized expenses. 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 (c) The operator shall post in a public place on the premises
26 where the activities are conducted the operator's permit and a copy of
27 the permit of each authorizing permittee with whom the operator has a
28 contract to conduct activities at the location.

29 (d) An operator shall obtain liability insurance covering each

1 location where the licensee conducts an activity subject to this chap-
2 ter. The operator shall provide upon request proof of insurance for
3 each location to the department. The operator and the insurer shall
4 inform the department of changes in the coverage of the insurance or
5 of cancellation of the insurance. Cancellation of the insurance
6 immediately suspends the rights of the operator to conduct activities
7 under this chapter at the location covered by the insurance until
8 subsequent insurance is obtained.

9 (e) An operator shall have its financial records reviewed an-
10 nually by a certified public accountant. The operator shall submit
11 the results of the review to the department by February 28 of the year
12 following the year for which the review is conducted.

13 (f) An operator may not

14 (1) charge losses resulting from bad checks or uncollect-
15 able debts against the net proceeds due to the authorizing permittee;

16 (2) extend credit to players;

17 (3) employ house players;

18 (4) allow the operator's employees to play a game conducted
19 by the operator at the location where the employee works for the
20 operator.

21 Sec. 05.15.167. OPERATOR'S BOND. (a) The bond or security
22 filed under AS 05.15.122(b) must be made payable to the department and
23 must be conditioned upon payment of the amounts due to the department
24 and payment of net proceeds due to the authorizing permittee. If the
25 operator fails to make the required payments, the operator forfeits
26 the bond or security to the department.

27 (b) The amount forfeited under (a) of this section shall be
28 first used to satisfy delinquent fees, interest, and penalties due the
29 department under this chapter. If the bond or security is not

1 exhausted by payment of delinquent fees, interest, and penalties, the
2 department may use the remaining amount to pay net proceeds due an
3 authorizing permittee. The total amount available for payment of net
4 proceeds shall be prorated among the permittees to whom proceeds are
5 due from that operator.

6 (c) The operator and the surety shall inform the department if
7 the bond is canceled or the security is impaired.

8 * Sec. 20. AS 05.15.180(b) is amended to read:

9 (b) With the exception of raffles, lotteries, bingo games,
10 pull-tab games, rain classics, goose classics, mercury classics,
11 salmon classics, and other activities authorized under AS 05.15.-
12 100(b), an activity may not be licensed under this chapter unless it
13 existed in the state in substantially the same form and was conducted
14 in substantially the same manner before January 1, 1959.

15 * Sec. 21. AS 05.15.180 is amended by adding new subsections to read:

16 (d) The total value of door prizes offered or awarded under
17 authority of a permit issued to a municipality or qualified orga-
18 nization under this chapter may not exceed \$20,000 a month or \$240,000
19 a year.

20 (e) The total value of all door prizes offered or awarded at a
21 single facility or bingo hall or parlor by an operator on behalf of
22 authorizing permittees or by a permittee in conjunction with other
23 permittees may not exceed \$20,000 a month or \$240,000 a year.

24 (f) A person under the age of 19 years may not play a bingo
25 game.

26 (g) A municipality or a qualified organization may award a
27 maximum of \$1,000,000 in prizes each year in activities authorized
28 under this chapter; however, if a municipality or a qualified orga-
29 nization contracts with an operator to conduct on its behalf

1 activities authorized under this chapter, the municipality or qual-
2 ified organization may award a maximum of \$500,000 in prizes each
3 year. In this subsection "activities authorized under this chapter"
4 means all activities subject to this chapter other than bingo.

5 * Sec. 22. AS 05.15 is amended by adding new sections to read:

6 Sec. 05.15.181. PULL-TAB MANUFACTURER'S LICENSE. (a) A person
7 may not manufacture pull-tabs in the state unless the person has
8 received a pull-tab manufacturer's license issued by the department.

9 (b) The department may issue a pull-tab manufacturer's license
10 to a person who pays an annual fee of \$500.

11 (c) Each series of pull-tabs manufactured in the state shall be
12 sealed and have a serial number label issued by the National Associa-
13 tion of Fund Ticket Manufacturers or other serial number label ap-
14 proved by the department.

15 (d) A pull-tab manufacturer may distribute pull-tabs only to a
16 licensed pull-tab distributor unless the pull-tab manufacturer is also
17 a licensed pull-tab distributor.

18 (e) Each pull-tab manufacturer shall report to the department by
19 the last business day of the month on each series of pull-tabs dis-
20 tributed during the preceding month, including the serial number of
21 each series distributed and the name of the distributor to whom the
22 series was distributed.

23 Sec. 05.15.183. PULL-TAB DISTRIBUTOR'S LICENSE; PULL-TAB TAX.

24 (a) A person may not distribute pull-tab games unless the person has
25 received a pull-tab distributor's license issued by the department.

26 (b) The department may issue a pull-tab distributor's license to
27 a person who pays an annual fee of \$1,000.

28 (c) Pull-tabs may be distributed only from a location in the
29 state. A person may not distribute pull-tabs directly to another

1 person in the state from a location outside of this state.

2 (d) A pull-tab distributor shall report to the department by the
3 last business day of each month on each pull-tab series distributed in
4 the preceding month. The report must include the name of the permit-
5 tee to whom each series of pull-tabs is distributed and the serial
6 number of each series.

7 (e) A pull-tab distributor shall collect a tax of three percent
8 of an amount equal to the gross receipts less prizes awarded on each
9 series of pull-tabs distributed. The pull-tab distributor shall pay
10 to the department the tax collected in the preceding month at the time
11 that the report under (d) of this section is filed with the depart-
12 ment.

13 Sec. 05.15.185. DISTRIBUTION OF PULL-TAB GAMES. Each series of
14 pull-tabs distributed in the state shall be sealed and have a serial
15 number label issued by the National Association of Fund Ticket Manu-
16 facturers or other serial number label approved by the department and
17 may be distributed only to a municipality or a qualified organization
18 that has obtained a permit issued under this chapter or to an operator
19 on behalf of an authorizing permittee.

20 Sec. 05.15.187. OPERATION OF PULL-TAB GAMES. (a) A municipali-
21 ty or qualified organization may operate pull-tab games. Pull-tabs
22 shall be obtained from a licensed distributor.

23 (b) Unless a pull-tab series also confers an additional right
24 upon all or some of the purchasers of the series to participate in a
25 lottery for additional prizes, a pull-tab series may not be sold at
26 more than one location during the same day.

27 (c) Pull-tabs from different series may not be mixed or com-
28 bined, unless 10 percent or less of a series remains unsold, in which
29 case, the remaining pull-tabs may be combined with a different series

1 having an identical price and prize structure.

2 (d) A pull-tab series may not be withdrawn from sale until all
3 pull-tabs in the series are sold, except that a pull-tab series may be
4 withdrawn from sale if a manufacturing defect exists in the series and
5 the department is notified of the defect and of the withdrawal from
6 sale within a period established by regulation by the department.

7 (e) Pull-tabs may not be sold to a person under the age of 19
8 years. A person under the age of 19 years may not purchase a pull-
9 tab.

10 (f) Each municipality or qualified organization that had gross
11 receipts exceeding \$100,000 during the preceding year from activities
12 conducted under this chapter or that is required to report under
13 AS 05.15.080(a), that conducts a pull-tab game shall maintain records
14 for two years of each prize of \$50 or more, the first day and last day
15 that each series was distributed, the serial number of each series,
16 and the distributor from whom each series was purchased.

17 (g) Notwithstanding other provisions of this chapter, a pull-tab
18 game that confers an additional right upon all or some of the purchas-
19 ers of a pull-tab series to participate in a lottery for additional
20 prizes may not be conducted in the state unless a surety bond in the
21 amount of \$250,000 conditioned upon payment of all prizes and awards
22 when due is submitted to the department by the operator or authorizing
23 permittee and approved by the attorney general.

24 * Sec. 23. AS 05.15.210(2) is amended to read:

25 (2) "charitable organization" means an organization, not
26 for pecuniary profit, that is operated for the relief of poverty,
27 distress, or other condition of public concern in the state[, AND THAT
28 HAS BEEN SO ENGAGED FOR FIVE YEARS BEFORE APPLYING FOR A PERMIT UNDER
29 THIS CHAPTER];

1 * Sec. 24. AS 05.15.210(3) is amended to read:

2 (3) "civic or service organization" means any branch or
3 lodge or chapter of a national or state organization that is a civic
4 or service organization, not for pecuniary profit, and authorized by
5 its written constitution, charter, or articles of incorporation, or
6 bylaws to engage in a fraternal, civic, or service purpose in the
7 state [AND THAT HAS BEEN SO ENGAGED FOR FIVE YEARS BEFORE APPLYING FOR
8 A LICENSE UNDER THIS CHAPTER];

9 * Sec. 25. AS 05.15.210(5) is amended to read:

10 (5) "dog mushers' association" means a civic, service, or
11 charitable organization in the state, not for pecuniary profit, formed
12 exclusively to promote interest in the breeding and training of dog
13 teams for work or recreational and racing purposes [AND WHICH HAS BEEN
14 IN EXISTENCE FOR FIVE YEARS BEFORE APPLYING FOR A PERMIT UNDER THIS
15 CHAPTER], but does not include an organization formed or operated for
16 gaming or gambling purposes;

17 * Sec. 26. AS 05.15.210(7) is amended to read:

18 (7) "educational organization" means a civic, service, or
19 charitable organization in the state, not for pecuniary profit, whose
20 primary purpose is educational in nature and designed to develop the
21 capabilities of individuals by instruction [AND WHICH HAS BEEN IN
22 EXISTENCE FOR FIVE YEARS BEFORE APPLYING FOR A LICENSE UNDER THIS
23 CHAPTER];

24 * Sec. 27. AS 05.15.210(8) is amended to read:

25 (8) "fishing-derby association" means a civic, service, or
26 charitable organization in the state, not for pecuniary profit, whose
27 primary purpose is to promote interest in fishing for recreational
28 purposes [AND WHICH HAS BEEN IN EXISTENCE FOR FIVE YEARS BEFORE APPLY-
29 ING FOR A PERMIT UNDER THIS CHAPTER], but does not include an

1 organization formed or operated for gaming or gambling purposes;

2 * Sec. 28. AS 05.15.210(10) is amended to read:

3 (10) "fraternal organization" means a civic, service, or
4 charitable organization in the state, except a college and high school
5 fraternity, not for pecuniary profit, that is a branch or lodge or
6 chapter, of a national or state organization and exists for the common
7 business, brotherhood, or other interest of its members [AND THAT HAS
8 SO EXISTED FOR FIVE YEARS BEFORE APPLYING FOR A LICENSE];

9 * Sec. 29. AS 05.15.210(15) is repealed and reenacted to read:

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

13 * Sec. 30. AS 05.15.210(19) is amended to read:

14 (19) "police or fire department and company" means a civic,
15 service, or charitable organization in the state, not for pecuniary
16 profit, consisting of members of a police department or fire company
17 established by the state or a political subdivision of the state [THAT
18 HAS BEEN IN EXISTENCE FOR FIVE YEARS BEFORE APPLYING FOR A LICENSE
19 UNDER THIS CHAPTER];

20 * Sec. 31. AS 05.15.210(21) is amended to read:

21 (21) "qualified organization" means a bona fide civic or
22 service organization or a bona fide religious, charitable, fraternal,
23 labor, political, or educational organization, police or fire depart-
24 ment and company, dog mushers' association, outboard motor associa-
25 tion, or fishing derby [FISHING-DERBY] or nonprofit trade association
26 in the state, that operates without profits to its members and that
27 has been in existence continually for a period of three [FIVE] years
28 immediately before applying for a license; the organization may be a
29 firm, corporation, company, association, or partnership;

1 * Sec. 32. AS 05.15.210(22) is repealed and reenacted to read:

2 (22) "raffle and lottery" means the selling of rights to
3 participate and the awarding of prizes in a game of chance conducted
4 by the drawing for prizes by lot;

5 * Sec. 33. AS 05.15.210(24) is amended to read:

6 (24) "religious organization" means an organization, church,
7 body of communicants, or group, not for pecuniary profit, gathered in
8 common membership for mutual support and edification in piety, wor-
9 ship, and religious observances, or a society, not for pecuniary
10 profit, of individuals united for religious purposes at a definite
11 place and that [HAS BEEN SO GATHERED OR UNITED FOR FIVE YEARS BEFORE
12 APPLYING FOR A LICENSE AND] is recognized as a religious organization
13 under the federal income tax laws and the selective service law;

14 * Sec. 34. AS 05.15.210(26) is amended to read:

15 (26) "veterans organization" means a civic, service, or
16 charitable organization in the state, or a branch or lodge or chapter
17 of a national or state organization in the state, not for pecuniary
18 profit, the membership of which consists of individuals who were
19 members of the armed services or forces of the United States, [AND
20 WHICH HAS BEEN IN EXISTENCE FOR FIVE YEARS BEFORE APPLYING FOR A
21 LICENSE UNDER THIS CHAPTER].

22 * Sec. 35. AS 05.15.210 is amended by adding new paragraphs to read:

23 (27) "adjusted gross income" means gross income less prizes
24 awarded and state, federal, and municipal taxes paid or owed on the
25 income;

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

29 (29) "commissioner" means the commissioner of revenue;

1 (30) "department" means the Department of Revenue;

2 (31) "distribute" means sell, distribute, furnish, or sup-
3 ply;

4 (32) "operator" means a natural person who, or a municipal-
5 ity or qualified organization that, has obtained a license to conduct
6 an activity subject to this chapter on behalf of a permittee;

7 (33) "pull-tab game" means a game of chance where a card,
8 the face of which is covered to conceal a number, symbol, or set of
9 symbols, is purchased by the participant and where a prize is awarded
10 for a card containing certain numbers or symbols designated in advance
11 and at random;

12 (34) "series" means a unit of pull-tabs with the same serial
13 number.

14 * Sec. 36. AS 05.15 is amended by adding a new section to read:

15 Sec. 05.15.995. SHORT TITLE. This chapter may be cited as the
16 Alaska Gaming Reform Act.

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: CSHB 299
PUBLISH DATE: 4/12/88

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act revising the state
gaming laws."
Sponsor: _____
Requestor: Labor and Commerce

Agency Affected: Revenue
BRU: Income and Excise Audit Division
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES		203.4	203.4	203.4	203.4	203.4
TRAVEL		53.3	53.3	53.3	53.3	53.3
CONTRACTUAL		33.5	33.5	33.5	33.5	33.5
SUPPLIES		1.4	1.4	1.4	1.4	1.4
EQUIPMENT		10.5	-	-	-	-
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		302.1	291.6	291.6	291.6	291.6
CAPITAL						
REVENUE		343.7	343.7	343.7	343.7	343.7

FUNDING: (Thousands of Dollars)

GENERAL FUND		302.1	291.6	291.6	291.6	291.6
FEDERAL FUNDS		-	-	-	-	-
OTHER		-	-	-	-	-
TOTAL						

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel
Division: Income and Excise Audit Division

Phone: (907) 465-2320
Date: April 12, 1988

Approved by Commissioner: Hugh Malone for
Agency: _____

Date: 4/12/88

Distribution (by preparer):

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

page ____ of ____

Personal Services

<u>Position</u>	<u>Location</u>	<u>Annual Salary/Benefits</u>
Investigator III	Juneau	\$50.7
Clerk Typist III	Juneau	\$26.4
Investigator III	Anchorage	\$50.7
Revenue Auditor III	Anchorage	\$50.7
Clerk Typist II	Anchorage	<u>\$24.9</u>
	TOTAL	\$203.4

Travel

Supervisory Travel	\$4.1	
Investigative Travel	\$30.7	
Regulation Travel	\$5.0	
Training Travel	\$5.0	
Public Education Travel	<u>\$8.5</u>	
	TOTAL	\$53.3

Contractual

Four Wang PC Terminals (\$3.5/ea)	\$14.0	
New Forms, printing and typesetting	\$10.0	
Regulations, printing and advertising	\$7.5	
Communications	<u>\$2.0</u>	
	TOTAL	\$33.5

Supplies

Office Supplies	\$1.4
-----------------	-------

Equipment

Five Chairs	\$2.5	
Five File Cabinets	\$3.5	
Modular Offices for Five Staff	<u>\$4.5</u>	
	TOTAL	\$10.5

Prepared by : Steven E. Kettel
Income and Excise Audit Division
Department of Revenue
April 12, 1988

CSHB 299

ESTIMATED REVENUES

Based on 1986 Figures:

\$20 License fee at 415 permits	8300	
\$50 License fee at 362 permits	18100	
\$100 License fee at 150 permits	15000	\$41,400
1% net proceeds fee	22708	\$22,708
Pull Tab Distributors License fee/\$6 at 1000		\$6,000
Pull Tab Distributors License fee/\$25 at 500		\$12,500
Pull Tab net proceeds fee		\$261,069
GRAND TOTAL		<u>\$343,677</u>

The expenditures incurred to administer the bill will be funded through program receipts.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act revising the state gaming laws."
Sponsor: _____
Requestor: Labor and Commerce

Agency Affected: Revenue
BRU: Income and Excise Audit Division
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES		203.4	203.4	203.4	203.4	203.4
TRAVEL		53.3	53.3	53.3	53.3	53.3
CONTRACTUAL		33.5	33.5	33.5	33.5	33.5
SUPPLIES		1.4	1.4	1.4	1.4	1.4
EQUIPMENT		10.5	-	-	-	-
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		302.1	291.6	291.6	291.6	291.6
CAPITAL						
REVENUE		501.6	501.6	501.6	501.6	501.6

FUNDING: (Thousands of Dollars)

GENERAL FUND		302.1	291.6	291.6	291.6	291.6
FEDERAL FUNDS		-	-	-	-	-
OTHER		-	-	-	-	-
TOTAL						

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel *Steven E. Kettel* Phone: (907) 465-2320
Division: Income and Excise Audit Division Date: February 5, 1988
Approved by Commissioner: *J. Mulca* Date: 2/5/88
Agency: _____

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

APPROVED
FEB 3 1988

LEGISLATIVE FINANCE

Prepared by: Kelcy Parsons
Tax Examiner/Games of Chance and Skill
Income and Excise Audit Division
Department of Revenue
February 2, 1988

HB 299

ESTIMATED REVENUES

Based On 1986 Figures:

\$20 License fee @ 415 permits	8300	
\$50 License fee @ 362 permits	18100	
\$100 License fee @ 150 permits	<u>15000</u>	
		\$41,400
1% net proceeds fee	22,708	
3% net proceeds fee	<u>157,938</u>	
		\$180,646
		\$222,046 GRAND TOTAL

Pull Tab Distributors License fee @ 6 @ 1000	=	\$6,000
Pull Tab Manufacturers License fee @ 25 @ 500	=	\$12,500
Pull Tab Net Proceeds Fee		\$261,069
GRAND TOTAL		<u>\$501,615</u>

The expenditures incurred to administer the bill will be funded through program receipts.

Personal Services

<u>Position</u>	<u>Location</u>	<u>Annual Salary/Benefits</u>
Investigator III	Juneau	\$50.7
Clerk Typist III	Juneau	\$26.4
Investigator III	Anchorage	\$50.7
Revenue Auditor III	Anchorage	\$50.7
Clerk Typist II	Anchorage	<u>\$24.9</u>
	TOTAL	\$203.4

Travel

Supervisory Travel	\$4.1
Investigative Travel	\$30.7
Regulation Travel	\$5.0
Training Travel	\$5.0
Public Education Travel	<u>\$8.5</u>
TOTAL	\$53.3

Contractual

Four Wang PC Terminals (\$3.5/ea)	\$14.0
New Forms, printing and typesetting	\$10.0
Regulations, printing and advertising	\$7.5
Communications	<u>\$2.0</u>
TOTAL	\$33.5

Supplies

Office Supplies	\$1.4
-----------------	-------

Equipment

Five Chairs	\$2.5
Five File Cabinets	\$3.5
Modular Offices for Five Staff	<u>\$4.5</u>
TOTAL	\$10.5

HOUSE BILL 299
Department of Revenue
Position Statement
February, 1988

Prepared by:
Steven E. Kettel, Director
Income & Excise Audit Division

The Department of Revenue supports the many provisions contained within HB 299 which will update the present statutes and assist the Department in its efforts to ensure that charities remain the beneficiary of the proceeds from gaming activities in Alaska.

We support the following concepts in HB 299:

- 1) The requirement that pull-tab manufacturers must be licensed and file reports with the Department, and affix labels to each sealed series of pull-tabs.
- 2) The requirement that pull-tab distributors must be licensed and file reports with the Department, and pay a fee for each pull-tab series sold.
- 3) The requirement that operators be licensed and file reports with the Department and with the permittee.
- 4) The requirement that permittees utilizing the service of licensed operators must enter into formal, written contract.
- 5) The concept that operators must report a profit and pay a minimum percentage of the net proceeds to the permittee to retain their license.
- 6) The concept that operators may provide accounting and banking services for the permittee but the permittee will remain responsible for games conducted on their behalf through their member in charge.
- 7) Restricting operators and their employees by forbidding gaming activities from being conducted by convicted felons.
- 8) We support raising the annual prize award limit. Public testimony on our gaming regulations this fall overwhelmingly supported raising the limit to an amount even greater than that in this bill.
- 9) We support program receipts funding for enforcement activities conducted by this agency.

Attached to this position paper are proposed amendments to the bill that the Department recommends.