

ALASKA LEGISLATURE COMMITTEE BILL FILES - 1987 - 1988 8879

HB 299 cont. *L. E. F. ...* 327

CS HB 299  
Department of Revenue  
Proposed Amendments  
February 4, 1988

The following amendment to HB 299 is offered for your consideration:

1. Page 2, line 5, delete the entire paragraph:

"The Department does not believe it has standing to determine the legitimacy or non-legitimacy of debts between permittees and distributors. Although we recognize that distributors are required to collect the tax on pull-tabs sold to permittees, we do not believe that this is sufficient cause for Departmental involvement in the collection problems distributors may have, especially as it may apply to non-pull tab type supply items normally sold to bingo halls. This section also does not provide any remedy, either to the Department or the distribution in the event that a permittee becomes delinquent."

2. Page 17, line 5, add the following sentence:

"For purposes of this section, a pull-tab game card which also serves as entry into a raffle or lottery may not be sold at more than one location during the same day."

3. Page 17, after line 11, insert a new paragraph (h);

"Pull-tabs may not be sold in any room, enclosure or outdoor area where alcoholic beverages are sold, served or consumed."

The decision whether to allow pull-tabs to be sold in the same area the liquor is sold is a policy question. Presently, bingo operations may not be conducted in the same room where alcohol is sold, served or consumed. Also, present law and regulation requires that a member of the permit holder be present wherever an authorized gaming activity is taking place. This rule is not being enforced and is also not being followed in practice. A permittee or an operator on contract with a permittee will not be present at all times pull-tabs are sold if and when they are sold outside of the permittee's establishment or bingo halls. To ensure that charities receive their full share of the profits from pull-tab sales, and that tight controls be placed over the accountability for pull-tab receipts, this amendment should be adopted.

Page 2, line 12, delete "(h)" and add "(i)".

*HM 2/5/88*

STATE OF ALASKA  
1988 LEGISLATIVE SESSION

BILL VERSION: CSHB 299  
PUBLISH DATE: 4/30/87

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						

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: January 19, 1988

Approved by Commissioner: \_\_\_\_\_  
Agency: \_\_\_\_\_

Date: 1/19/88

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

page \_\_\_\_\_ of \_\_\_\_\_

hb 299

CSHB 299 Analysis

Prepared By: Steven E. Kettel  
Income and Excise Audit  
January 18, 1987

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
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Equipment

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

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

P.O. BOX 5  
JUNEAU, ALASKA 99811-0400  
PHONE: (907) 465-2300

March 23, 1988

The Honorable Al Adams  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Dear Representative Adams:

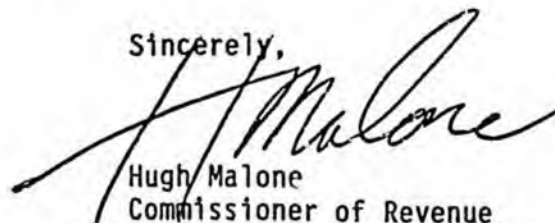
Enclosed are:

1) A complete listing by permit holder of selected information from each permittee's 1986 Annual Financial Statement for the Games of Chance and Skill. The information provided includes "Total Gross Receipts" which represents the total revenue from bingo, pull-tabs, raffles and other charitable games, "Net Proceeds Available to Charities" which represents the amount of revenue left after prizes and expenses to go to charitable purposes, and the 1% tax on net proceeds currently levied.

2) An attached schedule of ten permittees I have selected which have substantial gross revenues, but end up returning little or no money to the charity. The schedule reveals that these permits are for the most part, being farmed out to an operator who runs a large bingo hall. The inability of some operators to return funds to the charities they sponsor is the primary reason HB 299 is before your committee today.

I have highlighted these ten charities in yellow on the enclosed listing. I believe this schedule focuses attention on the current state of affairs in the Alaska charitable gaming industry. HB 299 will help put an end to the abusive situation we see among the larger operators of gaming permits.

Sincerely,



Hugh Malone  
Commissioner of Revenue

HM:SEK:sp  
88-79

Attachments

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April 18, 1988

\*ALASKA AND DISTRICT OF COLUMBIA BARS  
\*\*WISCONSIN BAR  
ALL OTHERS DISTRICT OF COLUMBIA BAR

VIA TELEFAX

Honorable Al Adams  
House Finance Committee  
P.O. Box V (Mail Stop V)  
Juneau, Alaska 99811

Re: House Bill 299

Dear Representative Adams:

I write once again on behalf of the Alaska Native Health Board, the Aleutian/Pribilof Islands Association, the Kodiak Area Native Association and the Aleutian Housing Authority in support of an amendment to H.B. 299 deleting the provisions in Section 21 which deal with door prizes.

We understand that in recent weeks the Department has circulated data regarding the net-profits after allowable expenses for some of these organizations in years prior to 1987. Apparently this is part of an effort to show that these organizations have not secured substantial financial benefits from their bingo programs. Unfortunately, the absence of 1987 information creates a misleading and distorted view of these organizations' bingo activities.

In 1985 the two organizations which did undertake bingo games under their permits did so through an operator in Anchorage. They did not run their own games and certainly suffered as a consequence (as do most permittees who elect to play their permits through operators). In 1986 the four organizations decided to establish their own bingo hall that would avoid use of operators. Their start-up costs were considerable. Remodeling

Representative Al Adams  
April 18, 1988  
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construction delays also played a part. Finally, customers had to be attracted to the new facility. Under these circumstances, and given the inevitable mistakes that are made along the way, it was not surprising that little in the way of net proceeds were realized that year.

In 1987 the situation changed dramatically. Going into the year bingo was still a marginal activity for all four organizations. But by mid-year substantial door prizes had come into vogue. Attendance increased, and attendance on nights when door prizes were offered was especially strong. According to the reports on file with the Department, the four organizations reported net-profits after allowable expenses ranging from \$312,101 to \$359,328. I suspect that these earnings are among the very highest earnings of all permittees in the State of Alaska in 1987, if not the four highest. Indeed, even after unallowable expenses are deducted, the four non-profits collectively retained several hundred thousand dollars. These considerable funds were in turn used for everything from food purchases for the poor in the APFA Region to a museum development project in the Kodiak Region to purchasing technical assistance and educational materials for the twelve regional health corporations across the State.

Without door prizes these profits would simply have been impossible to achieve. Their value in generating net-revenues for the four organizations has been proven time and again. To suggest, as the Department appears to, that charitable organizations would rather give away a door prize at the expense of their profits is simply absurd. The market place will -- and has -- regulated door prizes. The Alaska Native Health Board and the other non-profits will only award door prizes up to the point where the net result is increased profits.

H.B. 299 is a critical bill. It must be enacted in this session. But Section 21 is equally critical and could prove fatal to bingo operations. We ask that the Committee accept the Subcommittee's report on H.B. 299 provided that the door prize provisions in Section 21 are deleted, and that the Committee promptly report out this most important bill so that it can be scheduled for action on the floor. The Alaska Native Health Board, the Aleutian/Pribilof Islands Association, the Kodiak Area Native Association and the Aleutian Housing Authority stand ready to assist the Committee and the bill sponsors in doing everything possible to see that this bill can become law in this session. We understand, too, that the Department is prepared to withdraw

Representative Al Adams  
April 18, 1988  
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its insistence on a door prize provision if doing so will move the bill forward.

I should very much appreciate it if you could circulate this correspondence to all members of the Committee. If additional information is needed, I am prepared to testify today by teleconference together with ANHB Executive Director Denny DeGross.

Sincerely,



Lloyd Benton Miller

LBM:trb  
Ltr.aa2

STATE OF ALASKA  
THE LEGISLATURE

POUCHY STATE CAPITOL  
JUNEAU ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 18, 1988

SUBJECT: Section-by-section summary of CSHB  
299 (Finance) revising the state gaming laws

TO: Representative Mark Boyer

FROM: George Utermohle *GU*  
Legislative Counsel

The following is the section-by-section summary of CSHB 299 (Finance) dated April 8, 1988, an Act revising the state gaming laws, requested by Ed Flanagan of your staff.

A section-by-section summary of a bill should not be considered an authoritative interpretation of a bill. The bill itself is the best statement of its contents.

Section 1 of the bill repeals and reenacts AS 05.15.020.

The annual permit fee for a municipality or qualified organization is set at \$20 if the municipality or qualified organization did not hold a permit during the preceding year or had gross receipts of less than \$20,000 from games of chance and contests of skill during the prior year. The permit fee is \$50 for a municipality or qualified organization that grossed between \$20,000 and \$100,000 during the prior year. The permit fee is \$100 for a municipality or qualified organization that grossed more than \$100,000 during the prior year.

In addition to the permit fee a municipality or qualified organization that has gross receipts of \$20,000 or more shall pay a fee of one percent of its net proceeds to the department.

Section 2 of the bill amends AS 05.15 by adding a new section AS 05.15.025.

Money received by the Department of Revenue under AS 05.15 shall be deposited in the general fund. The commissioner of

administration shall separately account for the money. The annual estimated balance in the account may be appropriated by the legislature to the Department of Revenue to fund enforcement of AS 05.15.

Section 3 of the bill amends AS 05.15.030(a) by requiring that applicants for permits and licenses under AS 05.15 notify the city or borough nearest the proposed activity that they have applied for a permit or license.

Section 4 of the bill amends AS 05.15.030 by adding a new subsection AS 05.15.030(c).

If a permittee changes the location of an activity the permittee shall notify the department and the local government within 10 days after the change.

Section 5 of the bill repeals and reenacts AS 05.15.060.

The Department of Revenue shall adopt regulations necessary to carry out AS 05.15. Among the regulations that the department shall adopt are regulations concerning

1. issuance of permits and licenses;
2. procedures for determining net proceeds;
3. immediate revocation of permits and licenses;
4. financial statements;
5. investigation of permittees, licensees, and their employees;
6. exclusion of a person convicted of, in prison for, or on parole for a felony within the preceding five years or convicted of a crime involving theft or dishonesty or of a violation of a gambling law from participation as a permittee, licensee, or an employee of a licensee or permittee;
7. method and manner of conducting permitted activities and of awarding prizes;
8. limits on the number of activities that can be conducted under a permit; not more than 35 bingo games per session or more than 14 bingo sessions per month may be conducted under a permit;
9. methods of accounting for receipts, keeping records, and banking receipts;
10. disposition of funds held by a permittee or licensee when a permit or license is surrendered, revoked, or invalidated;
11. restrictions on participation by employees of the Department of Fish and Game in salmon classics; and
12. other matters necessary to implement AS 05.15.

Section 6 of the bill amends AS 05.15.070 in order to allow the commissioner of revenue to examine the books and records of operators, manufacturers of pull-tabs, and distributors of pull-tabs.

Section 7 of the bill repeals and reenacts AS 05.15.080.

A municipality or qualified organization that has gross receipts of \$50,000 or more during a calendar quarter shall file a report with the department. However, a municipality or qualified organization that conducts only a raffle or lottery during the quarter is not required to report until the raffle or lottery is completed.

A municipality or qualified organization shall file an annual report with the department as well as any additional fee due to the department under AS 05.15.020(b).

Section 8 of the bill adds new sections to AS 05.15.

Sec. 05.15.083 establishes the duty of operators to report to the department.

An operator shall file a quarterly report with the department. The quarterly report shall contain information included in the employer's quarterly federal tax return (IRS Form 941) and in the employer contribution and wage reports to the Department of Labor that are prepared by the operator. However, an operator that conducts only a raffle or lottery during the quarter does not have to file a report until the raffle or lottery is completed.

An operator shall file an annual report with the department. The annual report shall contain information included in the employer's wage and tax statements (IRS Form W-2) for each employee.

Sec. 05.15.087 establishes the duty of an operator to report to an authorizing permittee.

An operator shall report monthly to each authorizing permittee for whom the operator conducts a game of chance or contest of skill. The operator shall pay each authorizing permittee the net proceeds for the month at the same time as the operator makes the monthly report.

Representative Mark Boyer  
Page 4  
April 18, 1988

An operator shall provide a quarterly report to each authorizing permittee summarizing the activities conducted by the operator on behalf of the authorizing permittee during the prior calendar quarter.

An operator shall provide an annual report to each authorizing permittee summarizing the activities conducted by the operator on behalf of the authorizing permittee during the prior calendar year.

An operator shall provide certain original documents for inspection by the permittee if the permittee requests the documents.

Section 9 of the bill amends AS 05.15.090 to delay the date on which the department's report to the legislature is due from March 2 to April 15. The contents of the report is changed to require a summary of reports submitted by operators and to delete the requirement for a recommended fee scale for permits.

Section 10 of the bill amends AS 05.15 by adding a new section AS 05.15.095.

Applications and reports to the department shall be signed under penalty of perjury by the representative of a permittee or licensee.

A municipality, qualified organization, or operator may not conduct an activity while a report or fee is delinquent.

A delinquent fee accrues interest at the rate of 12 percent per year.

A municipality, qualified organization, or operator is subject to a penalty of 1 percent per month for each 30 days that a fee is delinquent. The department may waive the penalty if there is a reasonable excuse for the failure to pay the fee. The amount of the penalty may not exceed 25% of the unpaid fee.

Section 11 of the bill amends AS 05.15.100(a) to provide for the operation of pull-tab games by municipalities and qualified organizations.

Section 12 of the bill amends AS 05.15.100 by adding a new subsection to provide for the issuance of operators licenses

to natural persons (not corporations), municipalities, and qualified organizations who conduct games of chance and contests of skill on the behalf of municipalities and qualified organizations.

Section 13 of the bill amends AS 05.15 by adding new sections.

Sec. 05.15.112 requires each municipality and qualified organization to designate a member in charge.

The member in charge is responsible for all records and reports required of a municipality or qualified organization. The member in charge shall be a bona fide member of the qualified organization or a member of the board of directors of the qualified organization or an employee of the municipality.

The member in charge shall monitor the performance of operators engaged by the member's organization.

Alternate members in charge shall also be appointed.

Sec. 05.15.115 establishes requirements for contracts between municipalities and qualified organizations and operators.

The contract between a municipality or a qualified organization and an operator shall include the amount and form of compensation paid to the operator, the term of the contract, the activities to be conducted on the behalf of the permittee, the location where activities are to be conducted, the name and address of the member in charge and other information the department may require.

The permittee may not contract with more than one operator to conduct the same activity. The different kinds of activities are listed.

A permittee shall submit copies of contracts and amendments to contracts to the department 15 days before activities are conducted under the contract or amendment.

Section 14 amends AS 05.15 by adding new sections.

Sec. 05.15.122 establishes requirements for an operator's license.

A person, municipality, or qualified organization may not conduct an activity under AS 05.15 on behalf of a municipality or qualified organization unless the person, municipality, or qualified organization has received an operator's license from the department.

The department may issue an operator's license to a person who applies for a license, pays an annual fee of \$500, discloses the identity of persons employed by the applicant in a managerial or supervisory capacity, submits proof of liability insurance, and posts a bond of \$25,000 for each permit under which the applicant will operate up to a maximum of \$100,000.

The department may not issue an operator's license to an applicant, if the applicant or a managerial or supervisory employee of the applicant has been convicted of, in prison for, or on parole for a felony within the preceding five years or convicted of a crime involving theft or dishonesty or of a municipal, state, or federal gambling law.

An operator may not employ a person in a managerial or supervisory capacity if the person has been convicted of, in prison for, or on parole for a felony within the preceding five years or convicted of a crime involving theft or dishonesty or of a violation of a municipal, state, or federal gambling law.

Sec. 05.15.124 allows a municipality to adopt an ordinance prohibiting operators from conducting activities within the municipality.

Sec. 05.15.128 requires the department to revoke an operator's permit if the operator does not report an adjusted gross income of 15 percent or more of gross income during two consecutive quarters based on the total operation of the operator or if the operator does not pay 15 percent of the adjusted gross income to the authorizing permittee on whose behalf the activity is conducted. The operator may appeal the revocation but an audit by the department is conclusive.

Section 15 of the bill amends AS 05.15.140(b) to require a municipality or qualified organization to disclose whether the person who operates an activity for the municipality or qualified organization has been convicted of, in prison for, or on parole for a felony within the preceding five years or

convicted of a crime involving theft or dishonesty or of a violation of a municipal, state, or federal gambling law.

Section 16 of the bill amends AS 05.15.140(c) to prohibit the department from issuing a permit to a person who has been convicted of, in prison for, or on parole for a felony within the preceding five years or convicted of a crime involving theft or dishonesty or of a violation of a municipal, state, or federal gambling law.

Section 17 of the bill amends AS 05.15.160 relating to expenses that may be deducted from gross receipts.

Section 18 of the bill amends AS 05.15.160 by adding a new subsection.

Municipalities, qualified organizations, and operators may pay their employees reasonable wages and other compensation. Reasonable compensation is the amount of compensation ordinarily paid by similar businesses for similar work.

Section 19 of the bill amends AS 05.15 by adding new sections.

Sec. 05.15.165 establishes the duties of an operator. An operator shall pay net proceeds to the authorizing permittee by check.

The operator may not incur unauthorized expenses. The department may order the operator to refund to the authorizing permittee, any amount withheld as an unauthorized expense plus interest at 1.5% per month.

The operator shall post a copy of the operator's license and the permit of each authorizing permittee with whom the operator has a contract to conduct activities at the location where the activities are conducted.

The operator shall obtain liability insurance for each location where the operator conducts games of chance and contests of skill. The operator shall provide proof of insurance to the department upon request. The operator and the insurer shall inform the department of changes in or cancellation of insurance. If the operator's liability insurance is cancelled, the operator may not conduct games of chance or contests of skill until subsequent insurance is obtained.

The operator shall have its financial records reviewed by a certified public accountant each year. The operator shall submit the results of the review to the department by February 28.

The operator may not charge losses due to bad checks or uncollectable debts against the net proceeds due to the authorizing permittee, extend credit to players, employ house players, or allow employees to play a game conducted by the operator at the location where the employee works for the operator.

Sec. 05.15.167 establishes the requirement that an operator post a bond or security payable to the department and that the bond is first applied against fees, interest, and penalties due to the department. The operator shall inform the department if the bond is cancelled or the security is impaired.

Section 20 of the bill amends AS 05.15.180(b) to include bingo games and pull-tab games within the list of activities that may be conducted in a form and manner different from the way the activities were conducted before January 1, 1959.

Section 21 of the bill amends AS 05.15.180 by adding new subsections.

The value of door prizes offered or awarded by a permittee or on behalf of a permittee may not exceed \$5,000 per month or \$60,000 per year.

The value of all door prizes offered at a single facility, bingo hall, or bingo parlor may not exceed \$5,000 per month or \$60,000 per year.

A person under the age of 19 years may not play bingo.

A municipality or qualified organization may award a maximum of \$1,000,000 in prizes in activities authorized under AS 05.15; however a municipality or qualified organization may award only a maximum of \$500,000 in prizes if they use the services of an operator. The prize limits do not include prizes awarded in bingo games.

Section 22 of the bill amends AS 05.15 by adding new sections.

Sec. 05.15.181 establishes the requirements for a pull-tab manufacturer's license.

A person may not manufacture pull-tabs without a license issued by the department.

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

Each series of pull-tabs manufactured in the state shall bear a serial number.

A pull-tab manufacturer may distribute pull-tabs to only licensed pull-tab distributors.

A pull-tab manufacturer shall report monthly to the department on each series of pull-tabs sold during the month.

Sec. 05.15.183 establishes the requirements for a pull-tab distributor's license.

A person may not distribute pull-tabs without a license issued by the department.

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

Pull-tabs may be distributed only from a location in the state.

A pull-tab distributor shall report each month on the pull-tab games distributed.

A pull-tab distributor shall collect a tax of three percent of the retail value less prizes awarded for each pull-tab series sold during the month. The tax shall be paid each month the monthly report is submitted.

Sec. 05.15.185 establishes requirements for the distribution of pull-tab games.

Sec. 05.15.187 establishes requirements for the operation of pull-tab games.

A municipality or qualified organization may operate pull-tab games. Pull-tabs may be obtained only from licensed pull-tab distributors.

A pull-tab series may not be sold at more than one location on the same day, unless the pull-tabs also confer an additional right to participate in a lottery for additional prizes.

Pull-tabs from different series may not be mixed or combined, unless 10 percent or less of a series remains unsold. The remaining pull-tabs must be mixed with a series that has an identical price and prize structure.

A pull-tab series may not be withdrawn from sale until all pull-tabs in the series are sold, unless the pull-tabs are defective and the department is notified.

Pull-tabs may not be sold to a minor and a minor may not purchase a pull-tab.

Each municipality or qualified organization that had gross receipts exceeding \$100,000 during the preceding year from activities conducted under AS 05.15 or that is required to report under AS 05.15.080(a) shall maintain for two years a record of each prize of \$50 or more from a pull-tab game and of the pull-tabs sold.

A pull-tab game that confers an additional right to win additional prizes in a lottery may not be conducted unless a surety bond in the amount of \$250,000 is submitted to the department.

Sections 23-28 of the bill amend the definitions of "charitable organization", "civic or service organization", "dog musher's association", "educational organizations", "fishing derby associations", and "fraternal organization" by deleting redundant language.

Section 29 of the bill repeals and reenacts the definition of "net proceeds".

Section 30 of the bill amends the definition of "police or fire department and company" by deleting redundant language and adding clarifying language.

Section 31 of the bill amends the definition of "qualified organization" to require that the organization be in existence for only three years rather than five years before qualifying for a permit to conduct games of chance or contests of skill.

Representative Mark Boyer  
Page 11  
April 18, 1988

Section 32 of the bill repeals and reenacts the definition of "raffle and lottery".

Sections 33 and 34 of the bill amend the definition of "religious organization" and "veterans organization" by deleting redundant language.

Section 35 of the bill defines "adjusted gross income", "authorizing permittee", "commissioner", "department", "distribute", "operator", "pull-tab game", and "series".

Section 36 of the bill amends AS 05.15 by adding a new section AS 05.15.995. AS 05.15 may be cited as the Alaska Gaming Reform Act.

GU:gc  
WKG2:005

# Alaska State Legislature

REPRESENTATIVE  
MARK BOYER

HOUSE FINANCE COMMITTEE



House of Representatives

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CSHB 299 (Fin) - Charitable Gaming - Changes from CSHB 299 (Jud)

p. 2, line 4 - deleted section in Judiciary CS which raised tax on net proceeds from activities with gross receipts over \$100,000 to 3%. Also eliminated section denying permit renewal to anyone with an outstanding debt to a pull tab distributor.

p. 4, line 2 - maximum allowable number of bingo sessions per month per permittee raised from 9 to 14

p. 9, line 8 - adds language allowing a member of a board of directors of a qualified organization to be the "member-in-charge"

p. 13, line 8 - changes "prevailing wage" language to "reasonable amount in wages" defined as "an amount approximating the amount ordinarily paid by similar businesses for similar work performed under similar circumstances"

p. 15, line 18 - raises door prize limit to \$5000 per month or \$60,000 per year.

p. 15, line 20 - extends door prize limit for permittees to facilities or bingo halls run by operator or joint permittees

p. 15, line 26 - prize limit language is moved out of pull tab section and applied to all activities under permit with the exception of bingo. Limit raised to \$1,000,000 for permittees conducting their own activities, \$500,000 for those contracting with an operator.

p. 17, line 23 - lottery type pull tab operations exempted from single site sale restriction

p. 17, line 28 - last 10% of pull tab series can be mixed with new series of identical price and prize structure

p. 18, line 3 - series with defective pull tabs may be withdrawn from sale

p. 17, line 17 - operator or permittee conducting lottery type pull tab activity must post \$250,000 bond.

107-B West Northern Lights Blvd.  
Anchorage, Alaska 99503  
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# LUCKY STRIKE BINGO

April 8, 1988

Honorable Mark Boyer, Chairman  
Subcommittee on H.B. 299  
House Finance Committee  
P.O. Box V (Mail Stop 3100)  
Juneau, Alaska 99811

Dear Representative Boyer:

I am very deeply concerned that the House Finance Committee is considering a door prize provision in H.B. 299 which would restrict the four non-profits at the Lucky Strike Bingo Hall from collectively awarding any more than \$5,000.00 in prizes per month.

Our legal counsel, Lloyd Miller, informs me that the Department of Revenue believes this kind of a cap is necessary to help charitable organizations keep higher profits from bingo games. But in fact this new provision will do just the opposite. In fact, I have no doubt that our profits will fall dramatically if we are unable to continue offering the kinds of prizes we have been offering in the past. Not only will our net profits undoubtedly fall, but I firmly believe that they may fall so far that it may no longer even make sense for us to run bingo games.

In a typical month we award \$5,000.00 in door prizes on Friday nights and Saturday nights combined. In many months we also award a single door prize which costs us from \$9,000.00 to \$12,000.00. The value of all monthly door prizes has never exceeded \$20,000 and generally runs in the range of \$18,000. Obviously a \$5,000.00 cap is unrealistic.

Door prizes have attracted dozens of people into our bingo hall who I believe would not be interested in playing bingo if



107-B West Northern Lights Blvd.  
Anchorage, Alaska 99503  
(907) 274-6711

# LUCKY STRIKE BINGO

the prizes were not offered. Our patronage has skyrocketed from two years ago. The benefits to us have far exceeded by many times the cost of these prizes. Not only have we never lost on a night when we offer prizes, but in fact our net profits have consistently run many times the net profits we used to earn from bingo before we offered door prizes. In fact, the reason we began offering door prizes in the first place was because bingo was essentially a losing proposition on many nights, and on other nights only a marginal proposition.

In our first year of operation our expenses were high. We also did not think of offering door prizes that year. The net profits that year for all four organizations combined was about \$22,000.00. But last year, when we offered door prizes, our combined net profits after all prizes was almost \$400,000.00. This 2,000 percent increase is completely attributable to door prizes. Even today, the net profits on a night when we award a large door prize are four times higher than our average session - - after the cost of the prizes is accounted for.

I had thought that the whole point of this bingo legislation was to provide a means for non-profits to raise money to supplement their important programs in the State. The new door prize provision will do just the opposite. There is no question that it will definitely cut down our net profits. And as I said earlier, I think it may even return bingo to being only marginal. I know that the operating budgets of the four non-profits (ANHB, APIA, AHA, and KANA) are considerable. Given the cost of running a bingo hall on your own, it doesn't make sense to go to all this trouble if all you are going to earn is a few hundred dollars a night (at least) or break even. The way things have evolved, each of our organizations is currently earning tens of thousands of dollars a year from bingo. The point should be to encourage that kind of activity, so that we can counteract the cut in our state and federal grants and contracts and offset rising costs and an increasingly large service population.

I ask and plead with the Committee that you reconsider the wisdom of retaining any door prize provision in the bill. If in future years door prizes produce some problem that none of us is



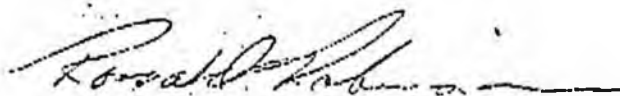
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# LUCKY STRIKE BINGO

aware of, the Department can always explore imposing a cap in the regulations. Right now we see no justification for a cap in the statute.

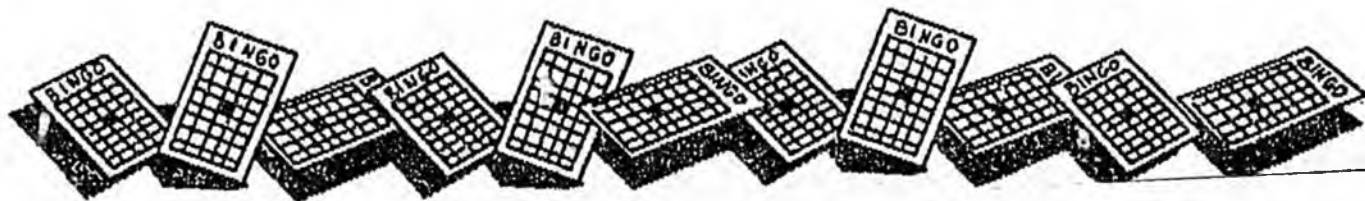
I would be happy to provide any additional testimony or evidence on this single most critical issue if that would be helpful. In the meantime, I am having our lawyer telefax this letter to you in advance of the April 11 hearing.

Sincerely,



Ron Robinson.

cc: Rep. Kay Wallis  
Rep. C.E. Swackhammer  
Rep. Steven Reiger



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April 12, 1988

OF COUNSEL  
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\*ALASKA AND DISTRICT OF COLUMBIA BARS  
\*\*WISCONSIN BAR  
ALL OTHERS DISTRICT OF COLUMBIA BAR

VIA TELEFAX

Honorable Al Adams  
House Finance Committee  
P.O. Box V (Mail Stop 3100)  
Juneau, Alaska 99811

Re: House Bill 299 (relating  
to games of chance)  
(Our File No. 1302.21)

Dear Representative Adams:

I enclose copies of recent correspondence to Representative Boyer concerning the "door prize" provisions in Section 21 of H.B. 299 (subsections (d) and (e)).

The Alaska Native Health Board and the other three non-profit organizations which form Lucky Strike Bingo consider it absolutely critical and urgent that subsections (d) and (e) of Section 21 be deleted. If not, the single most effective way of raising funds for non-profit health and social services will be lost.

We ask for your help in seeing that this unsupported, unjustified and ill-conceived provision be deleted. If the

Representative Adams  
April 12, 1988  
Page 2

record in the future supports some kind of door prize limit, the Department of Revenue can always propose regulations to address those issues at that time.

Sincerely,



Lloyd Benton Miller

LBM:trb  
Ltr.ra  
Enclosures

Charitable Permit Holder	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
Alaska Miners Assoc	Anchorage	\$19270.00	\$16228.18	\$163.45
Midnight Sun Lions	Fairbanks	\$8472.00	\$3840.23	\$38.40
Big Lake Regatta Assoc	Big Lake	\$1693.00	\$391.71	\$4.62
Ketchikan Theatre Ballet	Ketchikan	\$4408.00	\$1489.59	\$14.88
City of Craig	Craig	\$7456.11	\$365.99	\$3.66
American Business Womens Assn	Anchorage	\$0.00		
B.P.D.E. Lodge 1429	Ketchikan	\$24540.60	\$8945.26	\$89.45
SE Ak Conservation Council	Juneau	\$8510.00	\$6244.80	\$62.45
Alaska State Firefighters	Juneau	\$1330.00	\$436.36	\$4.36
Alaska Fire Chiefs Assoc	Cordova	\$14900.00	\$2780.40	\$27.80
Valdez Democratic Precinct	Valdez	\$12500.00	\$3497.70	\$34.95
Soldotna Little League	Soldotna	\$801995.70	\$236680.00	\$2367.00
District 19 Democrats	College	\$2253.00	\$994.51	\$9.95
Kodiak Lions Club	Kodiak	\$2864.13	\$0.00	\$0.00
Qitiktitchirit Committee	Barrow	\$70288.30	\$44448.03	\$444.48
Pilot Station Womens Club	Pilot Station	\$0.00		
Kodiak Jaycees	Kodiak	\$78.00	\$0.00	\$0.00
Ak Center for the Environment	Anchorage	\$556136.00	\$11275.78	\$112.76
North Pole Lions Club	North Pole	\$17492.00	\$2783.72	\$27.83
Anchorage Opera Company	Anchorage	\$44867.00	\$26485.76	\$246.86
City & Borough of Juneau	Juneau	\$0.00		
Bethel Lions Club	Bethel	\$546291.00	\$70161.00	\$702.00
Fairbanks Lions Club	Fairbanks	\$287631.00	\$0.00	\$0.00
Morale Support Activities	Ft Greely	\$0.00	\$0.00	\$0.00
AK Comm Coll Fed of Teachers	Anchorage	\$9.00	\$0.00	\$0.00
Work Preservation Trust	Anchorage	\$166514.00	\$7757.00	\$78.00
City of Eek	Eek	\$0.00		
American Legion Auxiliary 35	Wasilla	\$0.00	\$0.00	\$0.00
District 7 Democrats	Anchorage	\$1545.00	\$1344.76	\$13.45
Seldovia Police & Fire Dept	Seldovia	\$864.45	\$389.68	\$3.89
City of Ruby	Ruby	\$31.25	\$0.00	\$0.00
Fbks Child Prot Task Force	Fairbanks	\$1032.25	\$989.50	\$9.90
Knights of Columbus 4659	Anchorage	\$53890.00	\$1257.00	\$12.57
J-D Little Theatre	Juneau	\$0.00		
American Legion Post 22	Delta Junction	\$0.00	\$0.00	\$0.00
Anch Child Abuse Board	Anchorage	\$0.00	\$0.00	\$0.00
Ak Credit Union League	Anchorage	\$9528.00	\$9160.00	\$81.60
American Legion Post 34	Anchorage	\$825.00	\$631.00	\$6.31
Diomedes Vol Fire Dept	Diomedes	\$30780.75	\$3906.12	\$59.06
Anch Arts & Crafts Center	Anchorage	\$0.00		
St Rose of Lima Catholics	Wrangell	\$1505.00	\$835.00	\$8.35
Anchorage Headstart	Anchorage	\$0.00		
Comm Activities Pol Comm	Chevak	\$0.00		
U of A Anch Aluwani Assoc	Anchorage	\$0.00	\$0.00	\$0.00
Alaska Airwens Assoc	Anchorage	\$0.00	\$0.00	\$0.00
Shageluk City Council	Shageluk	\$0.00		
Alakanuk Vol Fire Dept	Alakanuk	\$74233.79	\$9561.13	\$95.61
District 12 Democrats	Anchorage	\$4608.00	\$2514.00	\$26.14
City of Teller	Teller	\$0.00		
Juneau Shrine Club	Juneau	\$4320.00	\$2339.17	\$23.39
Painters Apprenticeship	Anchorage	\$337311.00	\$9115.00	\$97.00

		\$337929.00	\$11674.00	\$116.00
Larsen Bay Tribal Council	Larsen Bay	\$21263.00	\$2221.00	\$22.00
Akn Sled Dog & Racing Assoc	Anchorage	\$0.00	\$0.00	\$0.00
Alakanuk Headstart	Alakanuk	\$53059.32	\$19417.63	\$194.17
Ak Eskimo Whaling Commission	Barrow	\$157715.00	\$29268.00	\$283.00
Sitka Rotary Club	Sitka	\$1641.00	\$1479.00	\$14.79
St Innocents Catholic Church	Anchorage	\$0.00	\$0.00	\$0.00
Toksook Bay Trad Council	Toksook Bay	\$42503.00	\$39124.50	\$391.24
Kwethluk IRA Council	Kwethluk	\$40329.18	\$14971.38	\$149.71
Palmer Chamber of Commerce	Palmer	\$0.00	\$0.00	\$0.00
Nordic Skiing Assn of Anch	Anchorage	\$7852.00	\$794.00	\$8.00
First Class Petty Officers	Juneau	\$379.50	\$0.00	\$0.00
Copper Valley Comm Library	Glennallen	\$0.00	\$0.00	\$0.00
Diomedes IRA Council	Diomedes	\$2008.50	\$189.61	\$1.89
Cheechako Lions Club	Ft Wainwright	\$37027.17	\$107.52	\$1.08
ANB-Camp 9	Klawock	\$60632.00	\$40924.00	\$409.00
Ketchikan Youth Services	Ketchikan	\$206.56	\$11.56	\$0.12
Alaska Ski Instructors	Anchorage	\$0.00		
Sitka Community Assoc	Sitka	\$165181.00	\$52246.61	\$522.46
American Legion Auxiliary 34	Anchorage	\$0.00	\$0.00	\$0.00
Ak State Chamber of Commerce	Juneau	\$4340.00	\$2947.36	\$29.47
Anchorage Gymnastics Assoc	Anchorage	\$0.00		
Wrangell Enable Club	Wrangell	\$0.00		
LDS Church	Juneau	\$0.00		
St-Benedicts Church	Anchorage	\$4049.75	\$2299.76	\$23.00
Nuiqsut Mothers Club	Nuiqsut	\$65929.27	\$31021.98	\$310.98
Nuiqsut Health Board	Nuiqsut	\$0.00		
Sitkans Against Family Violence	Sitka	\$0.00	\$0.00	\$0.00
District 4 Republicans	Juneau	\$1750.00	\$0.00	\$0.00
AK Water Management Assoc	Fairbanks	\$990.97	\$0.00	\$0.00
Access Alaska	Anchorage	\$0.00		
City of Angoon	Angoon	\$0.00	\$0.00	\$0.00
Amvetts Post #1	Anchorage	\$0.00	\$0.00	\$0.00
Kenai Child-Dev Center	Kenai	\$1740.00	\$1228.70	\$12.29
Britol Bay Fed of Teachers	Naknek	\$0.00		
Air Natl Guard NCO AGA	Anchorage	\$8746.00	\$4403.00	\$44.03
American Legion Post 13	Sitka	\$11027.00	\$5922.00	\$59.22
Hooper High School	Hooper	\$0.00	\$0.00	\$0.00
ANB/ANS Camp 16	Petersburg	\$0.00		
Fairbanks-Montessori Assoc	Fairbanks	\$136926.00	\$24602.74	\$246.02
Greater Ketchikan Deso Precinc	Ketchikan	\$0.00		
Tanana Valley Kennel Club	Fairbanks	\$0.00		
Resource-Development Cncl	Anchorage	\$0.00	\$0.00	\$0.00
4-H Leaders Council	Palmer	\$0.00		
Alano Club of Anchorage	Anchorage	\$14431.00	\$452.72	\$4.53
Fairbanks-BPW	Fairbanks	\$0.00	\$0.00	\$0.00
Plumbers & Steamfitters 375	Fairbanks	\$40000.00	\$18434.37	\$184.34
American Legion Post 21	Anchorage	\$425537.00	\$0.00	\$0.00
	Totals	\$4863046.85	\$791287.84	\$7897.54
		\$4863046.85	\$791287.84	\$7897.54

Charitable Permit Holder	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
Immaculate Conception Parish	Fairbanks	\$0.00	\$0.00	\$0.00
Gastineau Channel Little League	Juneau	\$5145.00	\$2457.00	\$24.57
Ketchikan Police Dept	Ketchikan	\$325.00	\$120.00	\$0.00
Wrangell Senior Site Council	Wrangell	\$0.00	\$0.00	\$0.00
Nome Shrine Club	Nome	\$36125.50	\$5170.50	\$51.70
Ketchikan Killer Whales	Ketchikan	\$5585.00	\$3272.14	\$32.72
Nome Volunteer Fire Dept	Nome	\$70538.03	\$4544.75	\$45.44
Alaska Retriever Club	Anchorage	\$0.00		
I A P E S	Juneau	\$0.00	\$0.00	\$0.00
St Nicholas Catholic Church	North Pole	\$11238.05	\$0.00	\$0.00
FAA Civil Air Club	Anchorage	\$706.00	\$0.00	\$0.00
American Legion Auxiliary 16	Hooper	\$7737.71	\$1276.93	\$0.00
Ketchikan Senior Citizen	Ketchikan	\$0.00	\$0.00	\$0.00
Loyal Order of Moose 1092	Petersburg	\$71010.03	\$19559.67	\$196.60
Copper River Dog Musers	Copper Center	\$22442.00	\$1866.00	\$18.60
Fraternal Order of Eagles 25	Skagway	\$0.00	\$0.00	\$0.00
Ft Greeley Enlisted Wives Club	Ft Greeley	\$0.00		
Akn Farmers & Stockgrowers	Palmer	\$3070.50	\$1214.95	\$12.15
Knik Swim Club	Eagle River	\$1827.29	\$1263.59	\$12.64
Montana Creek Dog Musers	Willow	\$4155.00	\$0.00	\$0.00
Lily of the Valley Church	North Pole	\$3536.99	\$2156.99	\$21.56
District 8 Republicans	Anchorage	\$0.00		
District 12 Republicans	Anchorage	\$0.00	\$0.00	\$0.00
Kenai Peninsula Hockey Assoc	Soldotna	\$13951.00	\$0.00	\$0.00
Fraternal Order of Eagles 1037	Fairbanks	\$0.00	\$0.00	\$0.00
Blessed Sacrament Parish Council	Emmonak	\$33458.64	\$1472.33	\$14.72
Aurora Swim Club	Anchorage	\$0.00	\$0.00	\$0.00
City of Chignik	Chignik	\$25781.00	\$5475.00	\$54.75
Catholic Schools PTA	Fairbanks	\$981223.75	\$61296.84	\$613.00
Rainbird Comm Broadcsting Corp	Ketchikan	\$0.00	\$0.00	\$0.00
Pearl Harbor Survivors	Anchorage	\$0.00		
Juneau Senior Citizens	Juneau	\$0.00	\$0.00	\$0.00
Tanana Chiefs Conference	Fairbanks	\$2241.00	\$1825.47	\$18.25
Duzinkie Tribal Council	Duzinkie	\$0.00		
Non Commissioned Officers Assn	Ft Wainwright	\$0.00		
Loyal Order of Moose 1534	Anchorage	\$36336.50	\$0.00	\$0.00
Resurrection Bay Lions & Lions	Seward	\$1515.00	\$980.36	\$9.80
American Legion Post 18	Ninilchik	\$54468.25	\$6367.06	\$63.67
Hooper Bay Trad Council	Hooper Bay	\$0.00		
Holy Family Cathedral	Anchorage	\$763068.00	\$27401.00	\$274.01
VFW Post 3629	Fairbanks	\$5245.28	\$0.00	\$0.00
Sand Lake Lions	Anchorage	\$646033.00	\$8626.00	\$86.26
Alaska Repertory Theatre	Anchorage	\$0.00	\$0.00	\$0.00
Wrangell Little League	Wrangell	\$675.00	\$675.00	\$6.75
Kenai Emblem Club	Kenai	\$0.00	\$0.00	\$0.00
NN Lights Badger Lion/ess	Fairbanks	\$51480.00	\$12991.00	\$130.00
VFW Post 16RS	Anchorage	\$74977.00	\$3105.26	\$31.05
Mat-Su Cncl on Alcoholism	Wasilla	\$107608.00	\$5057.00	\$0.00
Ketchikan Vol Fire Dept	Ketchikan	\$500.00	\$380.54	\$3.81
Church of Religious Science	Anchorage	\$0.00		
Kiwanis Club Golden North	Fairbanks	\$5041.00	\$3031.25	\$30.31

Intl Bros Boilermakers 498	Anchorage	\$0.00	\$0.00	\$0.00
Upper Kalskag Trad Encl	Upper Kalskag	\$0.00		
Mentasta Village Council	Tok	\$1795.00	\$0.00	\$0.00
Decree of Pocatontas	Ketchikan	\$4090.00	\$925.18	\$9.25
Bayshore School PTA	Anchorage	\$2247.46	\$1538.11	\$15.38
Glacier Valley School	Juneau	\$100.00	\$100.00	\$1.00
Beta Sigma Phi	Kodiak	\$0.00	\$0.00	\$0.00
Ketchikan Community College	Ketchikan	\$65.65	\$30.65	\$0.00
VFW Auxiliary 4352	Ketchikan	\$463.00	\$221.55	\$2.41
US Ski Assoc	Anchorage	\$14025.00	\$10275.00	\$102.75
Anchorage-Glacier-Pilots	Anchorage	\$559686.00	\$21231.99	\$212.32
West Anchorage High School	Anchorage	\$300.00	\$300.00	\$3.00
ASPCA	Anchorage			
St-Elizabeth-Ann-Seton-Church	Anchorage	\$33078.00	\$15848.38	\$283.00
Alaska Native Brotherhood	Wrangell	\$52649.00	\$1787.00	\$17.87
Bidarki Corp	Cordova	\$6081.40	\$799.22	\$7.99
Homer Chamber of Commerce	Homer	\$27103.85	\$0.00	\$0.00
District 17 Republicans	Copper Center	\$0.00	\$0.00	\$0.00
USCG Chief Petty Officers Assn	Ketchikan	\$2600.00	\$1140.00	\$11.40
United Tran-Union-1626	Anchorage	\$0.00		
Shishmaref IRA Council	Shishmaref	\$460290.09	\$112648.89	\$1126.48
Eamonak Parish Council	Eamonak	\$18896.98	\$9567.19	\$95.67
Takotna Community Assoc	Takotna	\$21343.00	\$1679.60	\$16.79
District 23 Republicans	Nope	\$5904.00	\$1427.25	\$14.27
Koyuk IRA Council	Koyuk	\$26583.25	\$994.81	\$9.94
District 21 Republicans	Fairbanks	\$32164.00	\$14243.73	\$142.44
St Catherines Catholic Church	Petersburg	\$602.25	\$387.71	\$3.87
Alaska Swimming Assoc	Fairbanks	\$0.00	\$0.00	\$0.00
Newtok Traditional Council	Newtok	\$59240.01	\$12760.00	\$127.60
Our Lady of Sorrows Catholics	Delta Junction	\$2865.00	\$680.00	\$6.80
American Legion Post 6	Wrangell	\$152017.00	\$14141.89	\$141.41
Our Lady of Guadalupe Parish	Anchorage	\$940.75	\$620.75	\$0.00
Abused Womens Aid in Crisis	Anchorage	\$56681.40	\$16867.49	\$168.87
Fairbanks Emblem Club 109	Fairbanks	\$0.00	\$0.00	\$0.00
Holy Rosary Church	Dillingham	\$6300.00	\$2726.00	\$27.26
United Fisherman of Alaska	Juneau	\$0.00	\$0.00	\$0.00
Hoonah Lady Lioness	Hoonah	\$10101.75	\$4680.92	\$46.81
Fortuna Ledge Headstart	Fortuna Ledge	\$131982.30	\$19964.09	\$199.64
EL Bob Bartlett high School	Tyonek	\$12030.00	\$4265.00	\$42.65
Republican Party of Alaska	Anchorage	\$39240.00	\$15916.25	\$159.16
Sacred Heart Catholic Church	Haines	\$391.00	\$135.50	\$1.38
St Patricks Parish	Anchorage	\$396.00	\$396.00	\$3.96
Moose Pass Sportsmans Club	Moose Pass	\$1431.00	\$1431.00	\$14.31
Chevak Traditional Council	Chevak	\$141348.48	\$33734.91	\$337.34
Bethel Catholic Church	Bethel	\$0.00		
AFGE Council 121	Anchorage	\$159363.00	\$7171.00	\$71.00
Bering Sea Lions Club	Kotzebue	\$284031.00	\$29438.00	\$294.38
Ketchikan Area Arts&Humanities	Ketchikan	\$1043.00	\$243.00	\$2.00
Kotzebue Lions Club	Kotzebue	\$861052.00	\$148383.00	\$0.00

Totals \$6355276.14 \$690687.69 \$5475.76

\$6355276.14 \$690687.69 \$5475.76

Charitable Permit Holders	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
Susan-B English School	Seldovia	\$6537.81	\$4693.96	\$46.93
District 7 Republicans	Birdwood	\$0.00	\$0.00	\$0.00
Chugach Rebekah Lodge 10A	Anchorage	\$311.00	\$141.00	\$1.41
Ketchikan Indian Corp	Ketchikan	\$2004.84	\$0.00	\$0.00
Hoonah Indian Corp	Hoonah	\$0.00	\$0.00	\$0.00
AK Cncl on Prev Alcohol	Anchorage	\$0.00	\$0.00	\$0.00
Adak Civic League	Adak	\$9611.00	\$3705.55	\$37.06
Miss Ak Scholarship Pageant	Anchorage	\$321958.00	\$12472.00	\$124.00
Nasilla Area Seniors Inc	Nasilla	\$4511.52	\$3491.42	\$34.91
Ketchikan Youth Football	Ketchikan	\$4351.00	\$3254.00	\$33.00
Natl Organization for Women	Anchorage	\$7125.00	\$1995.24	\$19.95
Coho Swim Club	Anchorage	\$0.00	\$0.00	\$0.00
Tongass-AK Girl Scout Cncl	Juneau	\$0.00		
City of Cordova	Cordova	\$0.00	\$0.00	\$0.00
City of Savoonga	Savoonga	\$427337.00	\$123032.50	\$1230.33
City of Mountain Village	Mt Village	\$111224.95	\$7078.22	\$70.78
St Marys Fire Dept	St Marys	\$183998.00	\$29378.00	\$294.00
Lakes Vol Fire Dept Aux	Palmer	\$0.00	\$0.00	\$0.00
Alpine Alternatives	Anchorage	\$462176.00	\$14936.00	\$149.00
Mat-Su Repub Womens Club	Nasilla	\$0.00	\$0.00	\$0.00
VFW Post 7056	Kodiak	\$0.00		
City of Aleknagik	Aleknagik	\$0.00	\$0.00	\$0.00
North Star Kiwanis	Anchorage	\$0.00		
Glacier Vol Firemens Assoc	Juneau	\$20000.00	\$5734.00	\$67.34
St Bernards Church	Talkeetna	\$278.00	\$255.22	\$2.78
VFW Post 9785	Eagle River	\$31272.75	\$2887.76	\$28.87
Nenana Tortella Cncl	Nenana	\$7279.00	\$0.00	\$0.00
Soroptomist Intl Fairbanks	Fairbanks	\$3177.00	\$2760.35	\$27.60
Cordova Chamber of Commerce	Cordova	\$3081.00	\$0.00	\$0.00
Alaska Mental Health Assoc	Anchorage	\$2541.00	\$1398.00	\$13.98
Marshall Parish Council	Marshall	\$45046.75	\$5942.10	\$59.42
NN Lights ABC School PTA	Anchorage	\$10334.00	\$7336.00	\$74.00
Bayshore Learning Center	Anchorage	\$0.00	\$0.00	\$0.00
Kiana Traditional Council	Kiana	\$0.00	\$0.00	\$0.00
ALyeska Ski Club	Anchorage	\$1702.00	\$1482.00	\$14.82
Kodiak Historical Society	Kodiak	\$1965.00	\$1549.50	\$13.05
Hope Cottages Inc	Anchorage	\$0.00	\$0.00	\$0.00
Anch Unitarian Universalist	Anchorage	\$0.00	\$0.00	\$0.00
District 15 Democrats	Eagle River	\$16832.50	\$5402.00	\$53.48
Alaska Gold Kings	Fairbanks	\$0.00	\$0.00	\$0.00
Kila Inc	Fairbanks	\$165708.00	\$33426.00	\$334.26
Dillingham School District	Dillingham	\$303532.34	\$57648.66	\$576.49
Mat-Su Amateur Hockey Assoc	Nasilla	\$105945.50	\$0.00	\$0.00
A N I Y A A	Fairbanks	\$0.00		
Gastineau Humane Society	Juneau	\$18400.00	\$8400.00	\$84.00
Fairbanks Arts Assoc	Fairbanks	\$40248.00	\$8515.00	\$85.00
Holy Trans Greek Orthodox	Anchorage	\$30000.00	\$14285.31	\$142.85
SE Board of Realtors	Juneau	\$0.00		
Gambell IRA Council	Gambell	\$0.00		
Anchorage Youth Hostel	Anchorage	\$2100.00	\$1690.80	\$16.90
Anchorage Education Assoc	Anchorage	\$0.00	\$0.00	\$0.00

Pioneers of Alaska Aux 15	Wrangell	\$525.00	\$317.62	\$3.16
Noatak Village Council	Noatak	\$0.00		
Native Village of Fort Yukon	Ft Yukon	\$0.00		
Assoc of Prof Mortgage Wosen	Anchorage	\$4170.00	\$2540.00	\$25.40
Copper River Native Asscc	Copper Center	\$2000.00	\$1076.00	\$10.76
Men Inc.	Juneau	\$6941.00	\$5867.00	\$58.67
Juneau Ducks Unlimited	Juneau	\$4035.00	\$3383.91	\$33.84
Alaska Women in Timber	Ketchikan	\$0.00		
Big Bros/Big Sis of Anchorage	Anchorage	\$7762.80	\$2001.10	\$20.05
Tanaina Child Devel Center	Anchorage	\$1850.00	\$0.00	\$0.00
Friends of the U of A Museum	Fairbanks	\$0.00	\$0.00	\$0.00
Alaska-Families United Inc	Anchorage	\$0.00	\$0.00	\$0.00
Alaska State Medical Assoc	Anchorage	\$29620.80	\$18109.68	\$181.10
Fairbanks Crisis Clinic Fndtn	Fairbanks	\$24000.00	\$4847.00	\$480.47
Bristol Bay Student Council	Naknek	\$1975.96	\$871.69	\$8.72
Fairbanks USO	Fairbanks	\$0.00		
Greater Fairbanks Family Hdstr	Fairbanks	\$0.00	\$0.00	\$0.00
Bartlett-Democratic Club	Anchorage	\$0.00	\$0.00	\$0.00
Bartlett Begich Secondary Scho	Anchorage	\$0.00	\$0.00	\$0.00
Basically Bach Festival Inc.	Anchorage	\$575.00	\$405.00	\$4.00
White Mountain IRA-Council	White Mountain	\$4388.95	\$909.62	\$9.10
Natl Assoc Bank Women	Anchorage	\$0.00		
Wm H Seward Elem School	Seward	\$0.00	\$0.00	\$0.00
Immanuel Presbyterian Church	Anchorage	\$550.00	\$550.00	\$5.50
Jo Scotts Center	Fairbanks	\$7296.00	\$819.00	\$8.19
Alaska Visitors Assoc	Fairbanks	\$220.00	\$0.00	\$0.00
Alaska State PTA	Anchorage	\$0.00	\$0.00	\$0.00
AK Junior Miss Scholarship	Soldotna	\$125.00	\$64.93	\$0.00
Ketchikan High School	Ketchikan	\$20696.00	\$12889.41	\$128.89
University of Alaska-Juneau	Juneau	\$3971.25	\$3864.89	\$38.64
Kodiak Baranof Productions	Kodiak	\$2000.00	\$1926.50	\$19.26
Chatanika Nonprofit Comm Fund	Fairbanks	\$0.00	\$0.00	\$0.00
Fairbanks Symphony Assoc	Fairbanks	\$0.00	\$0.00	\$0.00
Capital School	Juneau	\$3233.72	\$2476.60	\$24.77
Fairbanks North Star Borough	Fairbanks	\$0.00	\$0.00	\$0.00
City of Ouzinkie	Ouzinkie	\$0.00	\$0.00	\$0.00
Laborers Local Local 341 PEC	Anchorage	\$177879.00	\$5122.00	\$51.00
NN AK Health Resources	Fairbanks	\$0.00	\$0.00	\$0.00
Kootznoowoo Heritage Fndtn	Angeon	\$0.00		
Literacy Council of Alaska	Fairbanks	\$0.00	\$0.00	\$0.00
Alaska Peace Officers Assoc	Petersburg	\$500.00	\$45.00	\$0.00
Valdez Federation of Teachers	Valdez	\$0.00	\$0.00	\$0.00
Anchorage Council of Education	Anchorage	\$1470.00	\$1350.00	\$13.50
Unalakleet Dept of Pub Saf	Unalakleet	\$25387.71	\$2235.65	\$22.36
First Congregational Church	Anchorage	\$1000.00	\$1000.00	\$10.00
Tri Parish Youth Ministry	Juneau	\$1266.00	\$1117.30	\$11.17
AK Laborers Training School	Anchorage	\$0.00	\$0.00	\$0.00
Chester Valley PTA	Anchorage	\$2202.00	\$236.03	\$2.36
Port Graham Elem/HS	Port Graham	\$571.75	\$42.06	\$0.00
Totals		\$2686701.90	\$437968.71	\$4807.14
		\$2686701.90	\$437968.71	\$4807.14

Charitable Permit Holder	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
Klawock Co-op Assoc	Klawock	\$0.00		
AK Federation of Teachers	Anchorage	\$0.00	\$0.00	\$0.00
City of Port Heiden	Port Heiden	\$0.00	\$0.00	\$0.00
Greater Fairbanks Racing Assn	Fairbanks	\$19923.50	\$3335.00	\$33.35
Hoonah Public Schools	Hoonah	\$444.45	\$122.09	\$1.22
City of Deering	Deering	\$8774.84	\$1857.02	\$69.18
North Pole Elem PTA	North Pole	\$0.00		
Whittier Historical Museum	Whittier	\$0.00	\$0.00	\$0.00
Breast Cancer Detection Center	Fairbanks	\$40134.50	\$19814.00	\$198.14
Mother Club	Scammon Bay	\$7943.89	\$3647.04	\$11.06
Juneau Chamber of Commerce	Juneau	\$3628.82	\$1726.35	\$17.26
Holy Assumption Virgin Mary	Kenai	\$0.00		
Kotlik Traditional Council	Kotlik	\$0.00	\$0.00	\$0.00
Ninilchik Vill Trad Cncl	Ninilchik	\$0.00	\$0.00	\$0.00
Stebbins Community Assoc	Stebbins	\$136647.22	\$2123.26	\$21.23
Homer Winter Carnival	Homer	\$5678.00	\$4767.02	\$47.67
City of Stebbins	Stebbins	\$45272.06	\$5035.38	\$50.35
Chinik Eskimo Community	Golovin	\$0.00	\$0.00	\$1.64
Sitka Teen Resource Center	Sitka	\$0.00	\$0.00	\$0.00
United Way of Anchorage	Anchorage	\$20123.75	\$19786.95	\$197.86
Tanana Dist 4-H Leaders Cncl	Fairbanks	\$0.00	\$0.00	\$0.00
Emmonak Headstart	Emmonak	\$49923.09	\$13522.36	\$135.22
Pioneers of Alaska 6	Juneau	\$15299.00	\$6940.68	\$69.41
Chugiak-Eagle River C of C	Eagle River	\$2584.15	\$1560.47	\$15.60
City of Hooper Bay	Hooper Bay	\$281625.19	\$83085.19	\$830.85
Parent Advisory Committee	Hooper Bay	\$179536.20	\$19701.61	\$197.01
NCO/EM Wives Club	Ft. Richardson	\$10219.90	\$4946.97	\$49.47
AK Society Prof Engineers	Anchorage	\$2993.00	\$1470.69	\$14.71
Emmonak Headstart	Emmonak	\$113890.31	\$49370.19	\$493.70
	Totals	\$941008.20	\$193442.08	\$1961.23

Charitable Perait Holder	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
Territorial Sportsman	Juneau	\$133629.00	\$20804.00	\$203.00
Sacred Heart Cathedral	Fairbanks	\$500.00	\$600.00	\$6.00
Cordova High School	Cordova	\$0.00		
Suicide Prev & Crisis Cntr	Anchorage	\$0.00		
Fairbanks Curling Club	Fairbanks	\$37950.00	\$12860.00	\$129.60
Anchor Point Community Club	Anchor Point	\$11550.00	\$1332.00	\$13.00
B.P.O.E. Lodge 1551	Fairbanks	\$412392.00	\$128099.94	\$1261.00
VFW 10041 Auxiliary	Bethel	\$455531.00	\$83447.00	\$834.00
Fairbanks Youth Sports	Fairbanks	\$490575.70	\$53759.89	\$537.60
UFCW Local 1496	Anchorage	\$2263.00	\$329.00	\$3.29
Alaska Native Sisterhood	Haines	\$98932.85	\$14684.34	\$146.84
Wainwright Womens Club	Wainwright	\$276101.91	\$23839.94	\$238.39
Douglas Lions Club	Douglas	\$17422.00	\$6493.87	\$64.94
District 5 Democrats	Kenai	\$26032.20	\$10051.93	\$100.00
Service High School	Anchorage	\$10639.00	\$8372.00	\$83.72
Ninilchik Community Ambulance	Ninilchik	\$0.00	\$0.00	\$0.00
Assoc General Contractors	Fairbanks	\$49050.00	\$21919.53	\$219.20
Drutsaraquut Native Council	Bethel	\$0.00		
B.P.O.E. Lodge 2425	Kenai	\$133609.19	\$12017.14	\$120.17
Andreafski Townsite Womens Clb	St Marys	\$263015.52	\$31020.42	\$310.20
Huslia Hustlers Sports Assoc	Huslia	\$0.00		
B.P.O.E. Lodge 1662	Sitka	\$289470.45	\$34690.49	\$346.90
Bering Sea Womens Club	Nome	\$411503.50	\$32.71	\$0.00
Loyal Order of Moose 1206	Craig	\$167783.25	\$40831.96	\$408.32
Anchorage Figure Skating Club	Anchorage	\$0.00	\$0.00	\$0.00
Eagle River Rotary Club	Eagle River	\$0.00		
Russian Jack PTA	Anchorage	\$0.00	\$0.00	\$0.00
Sitka Emblem Club 142	Sitka	\$2770.39	\$1597.39	\$15.97
Barrier Free Recreation	Anchorage	\$783462.00	\$23157.00	\$232.00
Ikluat Inc	Chugiak	\$0.00		
Kodiak Public Broadcasting	Kodiak	\$4000.00	\$2537.65	\$23.58
Fairview Lions Club	Anchorage	\$226591.00	\$1264.00	\$12.64
VFW Post 9365	Wasilla	\$35626.79	\$136.59	\$1.37
Congregation Beth Shalom	Anchorage	\$1000.00	\$0.00	\$0.00
Tanana Valley State Fair	Fairbanks	\$21057.81	\$2096.88	\$20.96
Fairbanks Native Assoc	Fairbanks	\$0.00	\$0.00	\$0.00
Kenai Penin Board of Realtors	Soldotna	\$1340.50	\$529.00	\$5.29
Quota Club of Anchorage	Anchorage	\$0.00	\$0.00	\$0.00
Ketchikan Rod & Gun Club	Ketchikan	\$1005.00	\$1230.00	\$12.30
Juneau Intl Folkdancers	Juneau	\$0.00	\$0.00	\$0.00
Fraternal Order Eagles Aux 25	Skagway	\$503.66	\$3.29	\$0.00
Fairbanks Education Assoc	Fairbanks	\$3866.00	\$1753.63	\$17.54
AK Public Interest Research Gr	Anchorage	\$3390.00	\$1521.94	\$15.22
B.P.O.E. Lodge 420	Juneau	\$275797.00	\$24217.88	\$242.17
Homestead Elementary PTA	Eagle River	\$285.50	\$0.00	\$0.00
Hunter Elementary PTA	Fairbanks	\$0.00	\$0.00	\$0.00
Nome Community Center	Nome	\$197792.94	\$8427.41	\$84.27
Alaska Petroleum Section SPE	Anchorage	\$2335.00	\$1801.00	\$18.01
Cantwell Native Council	Cantwell	\$100.00	\$0.00	\$0.00
Providence Hospital Auxiliary	Anchorage	\$171.00	\$148.10	\$1.48
Credit Women Intl	Anchorage	\$0.00		

American Legion Post 11	Fairbanks	\$150464.75	\$24976.58	\$249.00
Golden North Rebekah Ldg 4-A	Fairbanks	\$311.00	\$15.29	\$0.00
Midnight Sun Lioness Club	Fairbanks	\$366605.00	\$0.00	\$0.00
Alaska Native Brotherhood 33	Anchorage	\$40500.00	\$0.00	\$0.00
American Red Cross	Fairbanks	\$0.00	\$0.00	\$0.00
Frat Order of Eagles Aux 1037	Fairbanks	\$0.00	\$0.00	\$0.00
Inst of Alaska Native Arts	Fairbanks	\$5150.00	\$2509.00	\$25.09
Tununak IRA Council	Tununak	\$246860.55	\$51604.28	\$516.04
Mabel T Caverly Center	Anchorage	\$264.00	\$264.00	\$2.64
Southeast Reg Health Corp	Juneau	\$560130.41	\$68259.59	\$682.59
Marys-Igloo Trad Council	Teller	\$0.00		
Juneau Emblem Club 90	Juneau	\$2259.70	\$1803.32	\$18.03
Chugiak Senior Citizens	Chugiak	\$25423.00	\$8993.00	\$90.00
Ak Bodybuilding Fed	Anchorage	\$0.00		
Anch Chamber of Commerce	Anchorage	\$0.00	\$0.00	\$0.00
Brevig Mission Trad Cncl	Brevig Mission	\$35805.75	\$0.00	\$0.00
Revilla Rebekah Lodge 9A	Ketchikan	\$69.80	\$0.00	\$0.00
Anchorage Lions Club	Anchorage	\$360.00	\$0.00	\$0.00
Pythian Sisters Friendship	Anchorage	\$6090.00	\$3258.40	\$32.58
Kenaitze Indian Tribe	Kenai	\$4106.00	\$74.00	\$0.00
Catholic Daughters of Americas	Anchorage	\$64.00	\$64.00	\$0.00
American Legion Auxiliary 15	Palmer	\$75123.00	\$3697.69	\$36.98
Cook Inlet Native Assoc	Anchorage	\$0.00		
Mat Su Youth Activities Cncl	Palmer	\$32500.00	\$15097.00	\$151.00
American Legion Post 5	Seward	\$33177.65	\$5583.65	\$55.83
Anchorage Community College	Anchorage	\$71.00	\$51.00	\$0.00
Ketchikan Childrens Home	Ketchikan	\$0.00	\$0.00	\$0.00
Susitna Girl Scout Council	Anchorage	\$652577.00	\$10987.09	\$109.87
East High School	Anchorage	\$420.00	\$420.00	\$4.20
Homesteaders Community Club	Houston	\$37966.50	\$4228.25	\$42.28
Roofers & Waterproofers 180	Anchorage	\$0.00	\$0.00	\$0.00
Mt McKinley Lions Club	Anchorage	\$739975.00	\$17928.00	\$179.00
Kotlik City Council	Kotlik	\$0.00		
Kodiak Area Native Assoc	Kodiak	\$744811.66	\$9058.10	\$90.58
Kenai Soldotna Rotary Club	Soldotna	\$205993.00	\$5040.00	\$50.00
Nooe Kennel Club	Nooe	\$56337.25	\$0.00	\$0.00
Fairbanks Chapter SPEBSOSA	Fairbanks	\$255546.00	\$12901.88	\$129.02
Sons of Norway Lodge 2/117	Fairbanks	\$2467.50	\$1281.69	\$12.82
Loyal Order of Moose 793	Palmer	\$22174.25	\$1641.99	\$16.42
City of Ft Yukon	Ft Yukon	\$68052.00	\$17825.47	\$178.25
Frat Order of Eagles 1971	Valdez	\$3356.00	\$1396.00	\$13.96
Valdez Chamber of Commerce	Valdez	\$30098.33	\$0.00	\$0.00
Assoc for Retarded Citizens	Kodiak	\$0.00	\$0.00	\$0.00
Fairbanks Downtown Assoc	Fairbanks	\$100890.00	\$15963.00	\$159.63
Kotlik Womens Club	Kotlik	\$34055.69	\$12415.93	\$124.16
Mat Su Valley Homeakrs Cncl	Palmer	\$62.00	\$62.00	\$0.00
American Legion Auxiliary 1	Anchorage	\$46157.00	\$11410.32	\$114.10
Valley Womens Resource Center	Palmer	\$34651.15	\$14277.15	\$142.77
Sells Flats/Russian Creek FD	Kodiak	\$0.00		
	Totals	\$9490071.10	\$771195.65	\$8985.81

\$9490071.10

\$771195.65

\$8985.81

Charitable Permit Holder	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
Kotzebue Broadcasting Inc.	Kotzebue	\$435599.00	\$48168.00	\$482.00
Alpha Delta Kappa	Fairbanks	\$1765.00	\$202.65	\$2.02
Alaska Nurses Assoc	Anchorage	\$4858.10	\$2312.70	\$23.13
Alaska Kennel Club	Anchorage	\$93.00	\$46.50	\$0.00
Pioneers of Alaska Aux 8	Fairbanks	\$890.00	\$862.55	\$8.63
VFW Post 10221	Anchor Point	\$63805.21	\$10379.43	\$103.79
Seward Chamber of Commerce	Seward	\$62222.40	\$20811.01	\$208.11
Anchorage Emblem Club 329	Anchorage	\$1960.00	\$325.50	\$3.25
Ninilchik Fair Assoc	Ninilchik	\$9748.81	\$3845.80	\$38.46
Nenana Lions Club	Nenana	\$0.00	\$0.00	\$0.00
Libertarian Party of Anchorage	Anchorage	\$35590.00	\$3274.48	\$32.74
Homer Senior Citizens	Homer	\$46829.00	\$1753.00	\$18.00
Aniak Traditional Council	Aniak	\$198733.70	\$27579.99	\$275.80
Kiana Search & Rescue	Kiana	\$158900.00	\$4650.00	\$46.50
City of Scammon Bay	Scammon Bay	\$37752.52	\$7977.75	\$79.78
Ninilchik Community Library	Ninilchik	\$473.00	\$35.45	\$0.00
Ak Cabaret Hotel Rest Ret	Anchorage	\$152772.00	\$47251.44	\$472.51
Willow Crest PTA	Anchorage	\$0.00	\$0.00	\$0.00
Anchorage Beverage Rest Assoc	Anchorage	\$184282.00	\$36521.95	\$365.22
Noae Public Schools	Noae	\$3134.00	\$2450.00	\$24.50
Kenai Penin 4-H Council	Soldotna	\$348.00	\$348.00	\$3.48
Credit Women Intl	Anchorage	\$0.00		
Anch Pioneers Home Res Cncl	Anchorage	\$2595.55	\$2125.55	\$21.26
Plumbers & Steamfitters 367	Anchorage	\$203842.00	\$7412.00	\$74.00
KBRW AM	Barrow	\$525898.00	\$231299.00	\$2312.99
Talkeetna Chamber of Commerce	Talkeetna	\$5686.50	\$2698.44	\$0.00
Oceanview PTA	Anchorage	\$0.00		
Tok-A-Tan Homemakers	Tok	\$592.76	\$529.17	\$5.29
Sacred Heart Catholic Church	Wasilla	\$251.75	\$105.50	\$1.06
Catholic Daughters of Americas	Juneau	\$0.00	\$0.00	\$0.00
Homer Soc of Nat History	Homer	\$1393.00	\$926.36	\$9.26
Pioneers of Alaska Aux 4	Anchorage	\$0.00	\$0.00	\$0.00
Alaska Special Olympics	Anchorage	\$16913.00	\$12319.04	\$123.19
B.F.O.E. Lodge 2127	Homer	\$78885.00	\$7824.00	\$78.00
Sitka Chamber of Commerce	Sitka	\$4179.75	\$2944.57	\$29.45
Circle Dist Historical Soc	Central	\$879.00	\$859.00	\$8.59
Holy Name Church	Ketchikan	\$12321.00	\$10424.00	\$104.00
Sterling Homemakers	Sterling	\$0.00		
Arctic Native Brotherhood	Nome	\$0.00		
Painters Local 1140	Anchorage	\$398849.00	\$8631.00	\$86.00
Railbelt School District	Healy	\$18297.90	\$12135.52	\$121.36
District 16 Republicans	Wasilla	\$1700.00	\$1672.42	\$16.72
Senior Cit of Interior Ak	Salcha	\$119971.45	\$10844.24	\$108.44
Ak Dog Musers Assoc	Fairbanks	\$64912.00	\$0.00	\$0.00
Perseverance Theatre	Douglas	\$15310.00	\$12076.12	\$120.76
Fraternal Order Eagles Aux 162	Ketchikan	\$83015.99	\$24213.82	\$242.13
Valdez Emblem Club 514	Valdez	\$739.00	\$313.80	\$3.14
Diamond High School	Anchorage	\$0.00	\$0.00	\$0.00
Kodiak Hospital Auxiliary	Kodiak	\$392.00	\$368.53	\$3.69
Children of the World	Fairbanks	\$1620.00	\$496.50	\$4.97
VFW Auxiliary 9889	Tok	\$55763.64	\$14050.06	\$140.50

Rescue 21	Homer	\$10420.00	\$5990.86	\$59.91
Juneau Homebuilders Assoc	Juneau	\$9633.00	\$3889.00	\$36.89
Barrow Search & Rescue	Barrow	\$427306.00	\$26225.00	\$862.00
Frat Order of Eagles Aux 3525	Kenai	\$3567.00	\$1997.29	\$19.97
Alaska Wing Civil Air Patrol	Anchorage	\$0.00	\$0.00	\$0.00
Ak Alcoholism Rehab Service	Wasilla	\$0.00	\$0.00	\$0.00
Pioneers of Alaska Aux 5	Cordova	\$0.00	\$0.00	\$0.00
Two Rivers Grange #3	Fairbanks	\$568.14	\$52.38	\$5.24
Haines Eables Club	Haines	\$863.00	\$863.00	\$8.63
King Cove Womens Club	King Cove	\$5534.31	\$896.62	\$8.97
Women-In Crisis Cncl & Asst	Fairbanks	\$6208.00	\$4112.01	\$41.12
Greater Anchorage Inc.	Anchorage	\$62125.00	\$0.00	\$0.00
City of Point Hope	Point Hope	\$0.00		
Tok-Dog Musers Assoc	Tok	\$70783.95	\$2561.39	\$25.61
Our Lady of Angels	Kenai	\$0.00	\$0.00	\$0.00
St Josephs Catholic Church	Cordova	\$2010.00	\$359.89	\$3.60
Kenai Peninsula Homebuilders	Kenai	\$0.00	\$0.00	\$0.00
Mary Magdeline Orthodox Church	Dillingham	\$14987.72	\$6318.02	\$63.18
Sons of Norway Lodge 23	Petersburg	\$129542.78	\$14409.88	\$144.10
Fairbanks Arctic Swim Team	Fairbanks	\$223993.00	\$16965.00	\$169.65
Eagle Historical Society	Eagle	\$1799.00	\$1548.00	\$15.48
Fairbanks Youth Soccer Assoc	Fairbanks	\$0.00		
Goose-Creek Community-Center	Willow	\$0.00	\$0.00	\$0.00
Anchorage Sports Association	Anchorage	\$0.00	\$0.00	\$0.00
South Naknek Village Council	South Naknek	\$16382.42	\$5233.96	\$53.23
Chuathbaluk Traditional Cncl	Chuathbaluk			
Sons of Norway Lodge 33	Juneau	\$286.00	\$210.54	\$2.10
Kacheak Bay Lions Club	Homer	\$244432.00	\$16890.03	\$168.90
North-Star Council on Aging	Fairbanks	\$781.00	\$681.00	\$6.81
Nunaka Valley PTA	Anchorage	\$4040.70	\$3076.04	\$30.76
Noae Child Care Inc.	Nome	\$1833.00	\$1192.00	\$11.92
Mat-Su Alano Club	Wasilla	\$220582.00	\$12365.32	\$123.65
Guild Cncl Ak Treatment Cnt	Anchorage	\$4479.66	\$4048.99	\$40.49
Fairbanks Youth Football	Fairbanks	\$4114.00	\$2825.00	\$28.00
Filipino Amer Assoc-Kodiak	Kodiak	\$0.00	\$0.00	\$0.00
B.P.D.E Lodge 1772	Kodiak	\$141029.75	\$35132.62	\$351.33
Anchorage School of Judo	Anchorage	\$0.00	\$0.00	\$0.00
Norton Sound Sled Dog Assoc	Unalakleet	\$414587.00	\$16857.64	\$168.57
Fairbanks Central Labor Cncl	Fairbanks	\$3275.00	\$1569.71	\$15.69
City of Shishmaref	Shishmaref	\$297361.92	\$53602.78	\$536.02
Akeela House Inc.	Anchorage	\$709943.00	\$20607.00	\$0.00
Haines Senior Center	Haines	\$1192.00	\$1049.09	\$10.05
Ak Environmental Lobby	Juneau	\$17794.25	\$15096.42	\$149.98
City of Tununak	Tununak	\$0.00		
Kodiak Chamber of Commerce	Kodiak	\$28460.00	\$16859.45	\$168.59
Valdez Native Assoc	Valdez	\$0.00		
Juneau-Preschool Inc.	Juneau	\$1412.00	\$1340.00	\$13.40
Seldovia Public Library	Seldovia	\$0.00		
VFW Post 10041	Bethel	\$459999.00	\$62582.00	\$626.00

Totals \$6555089.03 \$1000472.57 \$9774.56

\$6555089.03 \$1000472.57 \$9774.56

Charitable Permit Holder	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
Alaska State Firefighters	Bethel	\$6683.00	\$3095.93	\$30.95
Museum of AK Trans & Hist	Palmer	\$21000.00	\$4432.87	\$44.33
Rogers Park PTA	Anchorage	\$0.00	\$0.00	\$0.00
Unalaska Aleut Devel Corp	Unalaska	\$0.00		
St Andrew Catholic Church	Eagle River	\$0.00	\$0.00	\$0.00
Anchorage Amateur Radio Club	Anchorage	\$42595.00	\$2352.00	\$23.52
City of Toksook Bay	Toksook Bay	\$32871.33	\$28435.21	\$284.35
American Legion Auxiliary 7	Skagway	\$249.11	\$229.11	\$2.29
American Legion Auxiliary 17	Kodiak	\$2814.00	\$2773.83	\$27.73
American Legion Post 4	Juneau	\$0.00		
Beta Sigma Phi	Ketchikan	\$4689.80	\$2806.01	\$28.06
Ketchikan Lions Club	Ketchikan	\$4266.00	\$3039.33	\$30.39
Akuligag Sports Club	Selawik	\$11538.06	\$0.00	\$0.00
Ninilchik Elem/H.S.	Ninilchik	\$1086.86	\$977.33	\$9.77
First Christian Church	Anchorage	\$2326.00	\$2129.00	\$21.29
B.P.O.E. Lodge 1483	Cordova	\$106111.72	\$17787.33	\$177.87
Petersburg Emblem Club	Petersburg	\$58691.75	\$2313.12	\$23.13
Little Norway Festival	Petersburg	\$1186.00	\$231.12	\$2.31
Wrangell Public School Dist	Wrangell	\$765.18	\$765.18	\$7.65
Savoonga Volunteer Fire Dept	Savoonga	\$0.00		
Tikigag Lioness Club	Pt. Hope	\$0.00		
Monroe Boosters	Fairbanks	\$314349.30	\$49253.98	\$492.53
B.P.O.E. Lodge 1615	Petersburg	\$65709.00	\$12550.58	\$125.50
Juneau Ski Club	Juneau	\$22923.00	\$6486.28	\$64.86
Anchorage Audubon Society	Anchorage	\$971.00	\$366.00	\$3.66
Anchorage Symphony Orchestra	Anchorage	\$0.00	\$0.00	\$0.00
Joy Elementary School	Anchorage	\$35.52	\$6.57	\$0.00
Hillcrest Day Care Center	Anchorage	\$1636.52	\$1168.59	\$11.69
Tsimshian Tribal Assoc	Ketchikan	\$0.00	\$0.00	\$0.00
Alaska State Fair Inc.	Palmer	\$12544.00	\$3355.81	\$33.56
Alaska Peace Officers Assoc	Juneau	\$2702.40	\$216.07	\$2.16
Humana Hospital Auxiliary	Anchorage	\$0.00	\$0.00	\$0.00
Ka & Tl'at'k Corp	Ketchikan	\$153207.33	\$21051.78	\$210.52
Women of the Moose	Ketchikan	\$5047.34	\$5047.34	\$50.47
Soroptomist Intl of Juneau	Juneau	\$915.00	\$352.58	\$3.53
Gulkana Village Council	Bakona	\$67655.00	\$3469.00	\$39.69
American Legion Auxiliary 6	Wrangell	\$129585.80	\$14042.69	\$140.42
Eagle River Libertarian Party	Eagle River	\$0.00		
Fraternal Order of Eagles 3523	Kenai	\$249340.00	\$52104.00	\$521.01
Kaktovik Womens Club	Kaktovik	\$0.00		
Chena Lake Lion & Lioness	North Pole	\$108888.00	\$1805.00	\$18.05
Beta Sigma Phi	Sitka	\$568.00	\$569.00	\$5.68
Spenard Lions Club	Anchorage	\$752271.00	\$27399.00	\$274.00
Glacier Valley Judo Club	Juneau	\$0.00		
Lathrop High School	Fairbanks	\$29555.00	\$17571.61	\$0.00
Alaska Visitors Assoc	Anchorage	\$17775.00	\$15799.85	\$158.00
Alaska Bar Assoc	Anchorage	\$4500.00	\$3204.27	\$32.04
Alutian Pribilof Islands Assn	Anchorage	\$718442.77	\$0.00	\$0.00
Soroptomist Intl of Anchorage	Anchorage	\$0.00		
Coffman Cove Civic Club	Ketchikan	\$880.00	\$0.00	\$0.00
Seward Senior Citizens	Seward	\$2605.35	\$1168.92	\$11.69

The Theatre Guild Inc.	Anchorage	\$40.00	\$0.00	\$0.00
Tri Valley Vol Fire Dept	Healy	\$0.00	\$0.00	\$0.00
VFW Post 9978	Anchorage	\$58929.00	\$9244.17	\$92.44
Multiple Sclerosis Society	Anchorage	\$0.00	\$0.00	\$0.00
Juneau Tlinkit & Maida Coas Cn	Juneau	\$263590.71	\$35273.23	\$352.73
Huffman School PTA	Anchorage	\$0.00	\$0.00	\$0.00
VFW Post 10046	Soldotna	\$100954.20	\$6834.33	\$63.84
March of Dimes	Anchorage	\$557004.00	\$16762.00	\$165.94
City of St. Michael	St. Michael	\$16931.86	\$0.00	\$0.00
American Legion Auxiliary 27	Glennallen	\$0.00	\$0.00	\$0.00
Wasilla-Lions Club	Wasilla	\$68585.00	\$378.00	\$3.78
Muscular Dystrophy Assoc	Anchorage	\$25296.62	\$13132.13	\$131.32
Muldoon Tudor Lions Club	Anchorage	\$308044.00	\$3648.50	\$36.49
A-F-G-E	Ft. Wainwright	\$1321.21	\$320.21	\$3.20
Brevig Mission Fire Dept	Brevig Mission	\$281783.91	\$22930.09	\$229.30
VFW Post 5559	Juneau	\$154829.90	\$13976.91	\$139.76
Visual-Arts-Center	Anchorage	\$260.00	\$228.00	\$2.28
Klukwan School	Klukwan	\$0.00		
Alaska Jaycees	Anchorage	\$409736.00	\$10102.00	\$101.00
Christian-Pilots-Assoc	Wasilla	\$0.00	\$0.00	\$0.00
Savoonga Headstart	Savoonga	\$0.00		
Lion & Lioness Club of Soldotna	Soldotna	\$290409.00	\$58260.00	\$589.00
Bettles-Volunteer-Fire Dept	Bettles	\$4275.50	\$1815.25	\$18.15
Womens Resourse Crisis Center	Kenai	\$0.00	\$0.00	\$0.00
Kodiak 4-H Council	Kodiak	\$2500.00	\$1500.00	\$15.00
Identity Inc.	Anchorage	\$4556.20	\$910.35	\$1.11
Anchorage Log Cabin Quilters	Anchorage	\$1196.00	\$892.48	\$8.92
VFW Post 10029	North Pole	\$5000.00	\$2346.00	\$23.46
Alaska Health Project	Anchorage	\$262780.00	\$12288.00	\$123.58
Easter Seal Society	Anchorage	\$543.54	\$543.54	\$5.44
Hyder Community Assoc	Hyder	\$9331.58	\$1078.41	\$10.87
Fraternal Order of Eagles 162	Ketchikan	\$600800.21	\$88264.36	\$882.64
Mat-Su Homebuilders Assoc	Wasilla	\$124097.75	\$0.00	\$0.00
Seldovia Hospital Guild	Seldovia	\$1754.00	\$565.36	\$5.65
Seward-Rebekah Lodge 6A	Seward	\$333.00	\$248.00	\$2.48
Kotzebue Elementary School	Kotzebue	\$11732.75	\$2236.41	\$22.36
Teller Traditional Council	Teller	\$69062.75	\$6716.61	\$67.17
Kenai Peninsula-Ext Hekers	Cooper Landing	\$1605.00	\$1235.66	\$12.37
Captain Cook Jaycees	Anchorage	\$568297.00	\$10359.00	\$104.00
Ak State Fed of Garden Clubs	Fairbanks	\$585.00	\$62.05	\$0.00
Juneau-Lions Club	Juneau	\$0.00	\$0.00	\$0.00
Copper Center Vill Cncl	Copper Center	\$66557.00	\$1840.00	\$18.40
Women Dog Musers	Pt Hope	\$0.00		
District 6 Republicans	Seward	\$4850.00	\$2128.05	\$21.28
St Pauls Catholic Church	Juneau	\$0.00	\$0.00	\$0.00
City of Kake	Kake	\$0.00		
Farthest North Shrine Club	Fairbanks	\$13950.00	\$6873.50	\$68.74
Alaska Goldpanners Baseball	Fairbanks	\$489360.00	\$29260.00	\$292.61
Toksook Bay Vol Fire Dept	Toksook Bay	\$17617.85	\$13662.32	\$136.62
	Totals	\$8140591.68	\$744871.21	\$7264.93
		\$8140591.68	\$744871.21	\$7264.93

Charitable Permit Holder	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
Senior Citizens of Kodiak	Kodiak	\$8876.90	\$5875.40	\$58.75
AK Fish & Wildlife Fed	Anchorage	\$11692.00	\$11003.55	\$110.04
Little Flower of Jesus	Hooper Bay	\$171606.41	\$23474.90	\$234.75
NOT ISSUED		\$0.00		
Kodiak Womens Resource	Kodiak	\$0.00	\$0.00	\$0.00
Intl Cross Cultural Alc	Nenana	\$0.00	\$0.00	\$0.00
Mat Su Borough School Dist	Palmer	\$23967.72	\$16856.78	\$168.57
Fairbanks Weavers & Spinners	Fairbanks	\$501.50	\$360.75	\$3.60
Alaska Native Sisterhood 70	Juneau	\$0.00	\$0.00	\$0.00
Sacred Heart Parish	Fairbanks	\$1567.00	\$949.36	\$9.49
Noorvik Sports Club	Noorvik	\$0.00		
AK Cripple Children & Adults	Fairbanks	\$8322.00	\$3429.67	\$34.30
I.B.E.W.	Anchorage	\$292559.00	\$3089.00	\$30.89
Small World Inc.	Kodiak	\$1750.00	\$1510.01	\$15.10
Chugach School	Anchorage	\$8109.33	\$5907.33	\$59.00
Mt-View PTA	Anchorage	\$0.00		
Fbks Bldg & Const Trades Cncl	Fairbanks	\$3612.50	\$1124.00	\$11.24
North Pole Jr/Sr High School	North Pole	\$4198.90	\$2308.50	\$23.08
Ketchikan-Little-League Aux	Ketchikan	\$11050.00	\$8593.00	\$86.00
American Legion Post 35		\$133580.00	\$15527.93	\$155.00
Catholic Social Services	Anchorage	\$524.00	\$347.60	\$3.48
Atka IRA Village Council	Atka	\$21138.18	\$8755.40	\$87.55
American Legion Auxiliary 28	Anchorage	\$1477.51	\$1477.51	\$14.78
AK Laborers PEC	Fairbanks	\$37000.00	\$13258.96	\$132.59
Fairbanks Sweet Adelines	Fairbanks	\$268435.00	\$14955.00	\$149.55
Petersburg Chamber of Commerce	Petersburg	\$25968.00	\$10457.19	\$104.57
Alaska Black Caucus	Anchorage	\$2455.00	\$1055.57	\$10.55
Tapraq Inc	Stebbins	\$0.00		
Kenai Peninsular PMW	Soldotna	\$247.00	\$227.00	\$0.00
Alaska Libertarian Party	Anchorage	\$38987.50	\$6423.32	\$64.32
Alaska Native-Sisterhood	Wrangell	\$39851.00	\$13039.21	\$130.39
Copper River School Dist	Glennallen	\$8845.00	\$4343.80	\$43.44
Kenny Lake Community League	Copper Center	\$0.00	\$0.00	\$0.00
Bethel Broadcasting	Bethel	\$141268.84	\$47667.63	\$476.68
Beaver Roundup Festival	Dillingham	\$3500.00	\$1085.00	\$10.85
Aurora Dog Musers	Wasilla	\$128385.14	\$0.00	\$0.00
Soldotna Chamber of Commerce	Soldotna	\$341789.00	\$17822.00	\$178.00
Kivalina City Council	Kivalina	\$41601.35	\$13984.60	\$139.84
Kuskokwim Public Broadcasting	McGrath	\$256013.14	\$29439.66	\$294.40
Camp Fire Chugach Council	Anchorage	\$634612.00	\$6406.00	\$0.00
Anch Police Dept Empl Assoc	Anchorage	\$6800.00	\$377.07	\$3.77
Beta Sigma Phi Council	Nome	\$793.00	\$639.00	\$6.39
VFW Post 9889	Tok	\$48763.99	\$14350.92	\$143.51
AK Chpt Assoc US Army	Ft Rich	\$0.00	\$0.00	\$0.00
Fairbanks Drama Assoc	Fairbanks	\$962203.79	\$410487.58	\$4104.87
US Volleyball Assoc	Anchorage	\$574759.00	\$0.00	\$36.76
Juneau Jr Bowling Assoc	Juneau	\$0.00	\$0.00	\$0.00
American Legion Post 27	Glennallen	\$47536.00	\$2026.00	\$20.26
Barrow Mothers Club	Barrow	\$477039.00	\$73384.00	\$734.00
American Diabetes Assoc	Anchorage	\$1890.00	\$1068.14	\$106.81
Fairbanks Amateur Hockey Assoc	Fairbanks	\$514360.00	\$52060.51	\$520.61

Ak State AFL-CIO	Anchorage	\$777268.00	\$28520.34	\$283.00
Monroe Foundation	Fairbanks	\$725144.00	\$37142.00	\$372.00
Tundra Womens Coalition	Ketchikan	\$3335.00	\$1904.95	\$19.05
Boys & Girls Club of Alaska	Anchorage	\$50329.00	\$11947.00	\$112.74
Tok Chamber of Commerce	Tok	\$0.00		
Chinook Elementary PTA	Anchorage	\$0.00	\$0.00	\$0.00
Intl Air Crossroads Ligna	Anchorage	\$0.00		
Kodiak Cncl on Alcoholism	Kodiak	\$4347.50	\$2122.22	\$21.22
Loyal Order of Moose 1392	Fairbanks	\$212957.00	\$34527.92	\$345.27
VFW Post 10252	Anchorage	\$32493.50	\$7166.50	\$72.67
Petersburg High School	Petersburg	\$405.71	\$243.71	\$2.44
Palmer Pioneer Home Res Cncl	Palmer	\$350.00	\$130.00	\$1.30
St Marys Church	Kodiak	\$3341.00	\$3039.55	\$30.40
Ft-Yukon Dog Musers	Ft Yukon	\$264408.00	\$19161.00	\$191.00
ANB-Grand Camp	Juneau	\$0.00		
Hotel & Rest Employees 878	Anchorage	\$0.00	\$0.00	\$0.00
Beta-Sigma Phi	Fairbanks	\$0.00		
Delta Greely Arts Council	Delta Junction	\$0.00	\$0.00	\$0.00
B.P.O.E. Lodge 1773	Seward	\$172337.00	\$6450.00	\$64.50
Abbott Loop-PTA	Anchorage	\$3624.50	\$2428.22	\$24.28
Ft Yukon Lions Club	Ft Yukon	\$98575.00	\$10847.00	\$102.47
St Michaels Parish	Anchorage	\$29219.26	\$7897.28	\$78.97
Farthest North Girl Scout Cncl	Fairbanks	\$1904690.40	\$431616.64	\$4316.16
Assoc for Retarded Citizens	Anchorage	\$760715.00	\$23173.00	\$232.00
Soldotna High School	Soldotna	\$7812.36	\$4781.60	\$47.81
Alaska-Scottish-Club	Anchorage	\$599078.00	\$0.00	\$0.00
Palmer Emblem Club	Palmer	\$1702.75	\$1195.75	\$0.00
Diomedes City Council	Diomedes	\$125726.25	\$23809.30	\$238.09
Savoonga-IRA-Council	Savoonga	\$147698.50	\$63183.01	\$631.83
Kake Headstart	Kake	\$16018.35	\$1050.09	\$10.50
Kawerak Inc.	Nome	\$85049.77	\$30736.47	\$307.36
St-Nicholas Orthodox Church	Seldovia	\$0.00	\$0.00	\$0.00
American Legion Post 17	Kodiak	\$369577.20	\$103705.98	\$1037.05
Kodiak Emblem Club	Kodiak	\$35675.00	\$350.00	\$3.50
B.P.O.E. Lodge-2537	Valdez	\$118549.10	\$6383.24	\$63.83
Nes Gen Hospital Aux	Seward	\$112.00	\$112.00	\$1.12
Beta Sigma Phi	Homer	\$670.00	\$650.00	\$6.50
Nome-Eskimo Community	Nome	\$672784.00	\$30640.05	\$308.40
Aleutian Housing Authority	Anchorage	\$762115.44	\$9251.39	\$92.51
Native Village of Tyonek	Tyonek	\$0.00		
St-Lawrence Catholic Church	Mt Village	\$160050.87	\$34771.33	\$347.71
Alaska Native Brotherhood 12	Anchorage	\$31735.58	\$17407.64	\$174.08
Alaska Native Sisterhood	Anchorage	\$0.00		
Alaska Democratic Party	Anchorage	\$658892.00	\$35880.00	\$358.80
Haines Sportsmans Assoc	Haines	\$12025.00	\$5806.00	\$58.06
Ketchikan Chamber of Commerce	Ketchikan	\$70238.14	\$12368.65	\$123.67
Hoonah Lions Club	Hoonah	\$68995.25	\$9240.87	\$92.40
Anch Cncl Comm Schools Assoc	Anchorage	\$16151.39	\$12884.70	\$128.84
	Totals	\$13417970.52	\$1877639.83	\$18831.90
		\$13417970.52	\$1877639.83	\$18831.90

Charitable Permit Holder	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
City of Saint Paul	St Paul Is	\$46192.14	\$2460.94	\$24.61
Alaska Allstar Hockey Asso	Anchorage	\$5295.00	\$4272.00	\$43.00
Seward Band & Choir Posters	Seward	\$1206.00	\$1152.20	\$11.52
Bartlett Hospital Guild	Juneau	\$3752.65	\$3369.93	\$35.70
South Peninsular Hospital Aux	Homer	\$1143.00	\$111.14	\$11.17
Older Persons Action Group	Anchorage	\$816.00	\$523.75	\$5.24
Fairbanks Chapter-NOW	College			
Ak Native Sisterhood Camp 13	Yakutat	\$117430.00	\$23577.83	\$235.77
Loyal Order of Moose 1266	Cordova	\$174271.39	\$37422.18	\$374.22
Sand Point Vol Fire Dept	Sand Point	\$37979.25	\$4953.50	\$49.54
Ak Native Brotherhood Camp 1	Sitka	\$258803.00	\$70997.97	\$709.97
VFW Auxiliary Dept of Alaska	Wasilla	\$12137.00	\$4446.40	\$0.00
St Terese Catholic Church	Skagway	\$1837.00	\$442.00	\$4.42
Cooper Landing Community Club	Cooper Landing	\$863.00	\$843.00	\$8.43
North Pole Chamber of Commerce	North Pole	\$4127.00	\$0.00	\$0.00
American Heart Association	Anchorage			
Alaska Sportfishing Assoc	Anchorage	\$286295.00	\$9537.00	\$0.00
Pioneers of Alaska Igloo y	Valdez			
City of Hales	Hales	\$348578.02	\$106953.84	\$1069.53
Williwaw PTA	Anchorage	\$7505.51	\$6178.60	\$61.79
Delta Junction School	Delta Junction	\$0.00	\$0.00	\$0.00
Ft Greely OMC	Ft Greely	\$1222.00	\$802.00	\$8.02
National Education Assoc	Juneau	\$23116.00	\$11996.00	\$119.96
Sitka High School	Sitka	\$2013.65	\$1275.65	\$12.76
Alaska Shrine Temple Holding	Anchorage			
Alaska Shrine Temple AADNMS	Anchorage			
Anchorage Shrine Club	Anchorage			
Wrangell Gen Hospital Aux	Wrangell	\$521.05	\$441.07	\$4.41
Rural CAP	Anchorage	\$0.00	\$0.00	\$0.00
Mat Su Valley Lions Club	Palmer	\$1314.00	\$763.00	\$7.63
Ak State Firefighters Assoc	Sitka	\$0.00	\$0.00	\$0.00
American Cancer Society	Anchorage	\$0.00		
Ft Wainwright OMC	Ft Wainwright	\$815.10	\$815.10	\$8.15
Selawik Health Council	Selawik	\$0.00		
Anchorage Hockey Assoc	Anchorage	\$41490.00	\$37833.00	\$378.00
Pioneers of Alaska Igloo 4	Fairbanks	\$2592.00	\$1756.04	\$17.56
Skagway School District	Skagway	\$2370.56	\$1732.63	\$17.33
Amvetts Post 2 Inc.	Anchorage	\$75764.00	\$13567.00	\$135.67
Sitka Sportsmans Assoc	Sitka	\$32762.35	\$17193.35	\$171.93
Wainwright Search & Rescue	Wainwright	\$242477.08	\$23134.48	\$231.34
Seward High School	Seward	\$3865.28	\$3207.44	\$32.07
Petersburg Vol Fire Dept	Petersburg	\$6905.15	\$4030.59	\$40.31
Chilkat Valley Preschool	Haines	\$400.00	\$400.00	\$4.00
Homer Emblem Club 350	Homer	\$1438.00	\$0.00	\$0.00
St George Community Cncl	St George Is	\$224379.40	\$55429.76	\$554.29
Bristol Bay Native Assoc	Dillingham	\$0.00	\$0.00	\$0.00
Assoc of Village Cncl Pres	Bethel	\$50396.00	\$7707.00	\$77.00
Juneau Gun Club	Juneau	\$1384.00	\$329.00	\$3.29
Kuskokwim 300 Race Comm	Bethel	\$55560.00	\$0.00	\$0.00
Salcha Ski Club	Salcha	\$0.00	\$0.00	\$0.00
Copper River Basin Lions	Glennallen	\$0.00	\$0.00	\$0.00

Haines Womens Club	Haines	\$150.85	\$150.85	\$1.51
City of Koyuk	Koyuk	\$29124.00	\$7611.69	\$76.12
Women in Safe Homes	Ketchikan	\$0.00	\$0.00	\$0.00
Delta Junction Lions Club	Delta Junction	\$11640.02	\$4922.29	\$48.22
American Legion Post 3	Ketchikan	\$30000.00	\$14301.00	\$143.01
NCOA-North Star Chapter	Ft Richardson	\$17012.98	\$6447.33	\$64.47
Fairbanks Lodge of Perfection	Fairbanks	\$0.00	\$0.00	\$0.00
City of Fort Lions	Port Lions	\$14738.20	\$252.40	\$2.52
B.P.O.E. Lodge 431	Skagway	\$15644.00	\$4981.00	\$48.81
Classified Personnel Organ	Fairbanks	\$6250.00	\$2370.90	\$23.71
Anchorage Community YMCA	Anchorage	\$1110.00	\$1008.50	\$10.09
Big Lake Lions Club	Big Lake	\$5654.25	\$4493.12	\$44.93
Sheldon Jackson College	Sitka	\$1849.00	\$1545.26	\$15.45
American Legion Aux 20	Kenai	\$346305.00	\$15849.21	\$158.49
Willow Area Community Organ	Willow	\$6424.00	\$1181.72	\$11.82
American Legion Post 20	Kenai	\$437560.00	\$78788.09	\$787.88
Marathon Homeakers	Seward	\$314.00	\$314.00	\$3.14
St Francis Xavier Mission	Kotzebue	\$69106.95	\$25234.53	\$252.35
District 16 Democrats	Palmer	\$13247.80	\$3952.91	\$39.53
Ancient Teachings of Masters	Anchorage	\$0.00		
Pt Hope Health Committee	Pt Hope	\$0.00		
College Lions Club	College	\$0.00		
Seldovia Chamber of Commerce	Seldovia	\$2752.00	\$467.47	\$4.87
University of Alaska-Fbks	Fairbanks	\$41275.00	\$14065.60	\$140.66
Selawik Search & Rescue	Selawik	\$VALUE!		
Nati-Federation of the Blind	Anchorage	\$0.00		
USCG Chief Petty Officers Asso	Juneau	\$10182.25	\$4502.02	\$45.02
Alaska Native Brotherhood	Juneau	\$164091.08	\$13239.00	\$132.39
Kenai-Soldotna Shrine Club	Soldotna	\$11580.00	\$6553.34	\$65.53
American Legion Post 1	Anchorage	\$8537.00	\$23588.00	\$235.88
Filipino Community Inc	Juneau	\$137245.80	\$38274.13	\$382.74
District 23 Democrats	Noae	\$11152.00	\$2609.00	\$26.09
O'Malley PTA	Anchorage	\$0.00		
A.L.I.V.E. Voluntary	Anchorage	\$199275.00	\$91309.82	\$943.10
Alaska Trappers Assoc	Fairbanks	\$6733.30	\$3767.84	\$37.68
Alaska Telephone Association	Anchorage	\$10770.13	\$81.52	\$8.89
Klukwan ANB/ANS	Haines	\$19735.50	\$7407.25	\$74.07
City of Dillingham	Dillingham	\$570007.78	\$203879.26	\$2038.79
North Star PTA	Anchorage	\$10622.96	\$7844.93	\$78.45
Eagle River PTA	Eagle River	\$2876.63	\$1384.77	\$13.85
City of Skagway	Skagway	\$0.00	\$0.00	\$0.00
Loyal Order of Moose 224	Ketchikan	\$97002.70	\$9335.47	\$93.35
City of Marshall	Marsha'i	\$169844.62	\$17603.68	\$176.04
Soldotna Catholic Church	Soldotna	\$11619.90	\$4423.65	\$44.23
Waheed Court 81 LOSNA	Anchorage	\$1710.00	\$604.88	\$6.04
B.P.O.E. Lodge 1595	Wrangell	\$36466.00	\$11614.42	\$116.10
Amer Assoc of Retired Persons	Kenai	\$450.71	\$450.71	\$4.50
St. Hermans Sisterhood	Kodiak	\$1948.50	\$604.50	\$6.05
Noae Preschool Assoc	Noae	\$59436.00	\$9456.00	\$94.56

Totals \$4748467.49 \$1107153.55 \$11019.56

\$4748467.49 \$1107153.55 \$11019.56

Charitable Permit Holder	Location	Total Gross Receipts	Total Net Proceeds Available to Charities	1% Net Tax Paid
Nenana Ice Classic Assoc	Nenana	\$274672.00	\$67544.00	\$0.00
Pioneers of Alaska 31	Wasilla	\$10200.00	\$2155.65	\$21.57
Fairbanks Chamber of Commerce	Fairbanks	\$37575.00	\$0.00	\$0.00
Anchorage Aquanaut Swim Club	Anchorage	\$3976.90	\$3134.46	\$31.34
Alaska State Elks Trust Fund	King Salmon	\$30000.00	\$15064.37	\$150.64
North Star Flying Lions	Fairbanks	\$18180.00	\$7659.00	\$77.00
Palmer Senior Citizens Center	Palmer	\$2663.03	\$945.30	\$9.45
Ht. View Lions Club	Anchorage	\$39930.00	\$11786.00	\$117.86
Anchorage Bucs	Anchorage	\$492831.00	\$17102.42	\$171.02
Friends of Palmer Library	Palmer	\$55.00	\$35.00	\$0.00
Midnight Sun-Street Rod Assoc	Anchorage	\$45982.21	\$33937.16	\$339.37
City of Galena	Galena	\$151379.82	\$34007.57	\$340.07
Northwood PTA	Anchorage	\$4994.00	\$2689.00	\$26.89
Aniquin School	Eliu			
Sons of Norway Lodge 46	Anchorage	\$3305.00	\$3135.00	\$31.35
Food Bank of Alaska	Anchorage	\$458129.00	\$6636.00	\$66.36
Anchorage Community Chorus	Anchorage	\$4915.00	\$3281.00	\$32.81
T & H Indian Tribes of Alaska	Anchorage	\$0.00	\$0.00	\$0.00
VFW Department of Alaska	Anchorage	\$23573.55	\$12201.32	\$132.01
Anchorage Arts Council	Anchorage	\$5120.00	\$3001.83	\$30.02
Pipe Trades Joint Apprent Comd	Anchorage	\$0.00	\$0.00	\$0.00
Alaska Pacific University	Anchorage	\$0.00	\$0.00	\$0.00
Sitka Womens Club	Sitka	\$720.00	\$717.20	\$7.17
Greater Anchorage REACT	Anchorage	\$0.00	\$0.00	\$0.00
Talkeetna Historical Society	Talkeetna	\$3811.35	\$3586.57	\$35.87
Fairbanks Pioneers Home Res Cn	Fairbanks	\$1386.10	\$1322.90	\$63.20
Anch Council on Drug Aid	Anchorage			
Zonta Club of Anchorage	Anchorage	\$1240.00	\$920.00	\$9.20
Juneau Volunteer Fire Dept	Juneau	\$20000.00	\$6670.00	\$66.70
Delta Sigma Theta Sorority	Anchorage	\$0.00	\$0.00	\$0.00
Catholic Community Resources	Fairbanks	\$4166.00	\$3256.50	\$32.57
A-A-R-P #533	Anchorage	\$0.00	\$0.00	\$0.00
Turnagain Elementary PTA	Anchorage	\$13816.82	\$10654.26	\$106.54
Haines High School	Haines	\$150.00	\$0.00	\$0.00
Anchorage Youth Symphony	Anchorage	\$32573.00	\$29260.67	\$292.61
Gold Rush Classic	Anchorage	\$40390.45	\$0.00	\$0.00
St Francis Xavier Catholic	Valdez	\$4000.00	\$2000.00	\$20.00
Tukisarmute Native Com Cncl	Tuluksak			
Newtok Police & Fire Dept	Newtok	\$132400.13	\$22118.93	\$221.19
Kodiak High School	Kodiak	\$478.00	\$363.00	\$3.63
Kenai Central High School	Kenai	\$4276.00	\$2255.51	\$22.56
Alaska Bowhunters Assoc	Anchorage	\$5823.80	\$4059.04	\$40.59
Ft Richardson OWC	Ft Richardson	\$4461.00	\$2038.53	\$20.39
Ursa Minor PTA	Ft Richardson	\$1350.94	\$969.53	\$9.94
Anderson Clear Lions	Clear			
District 11 Republicans	Anchorage	\$5840.00	\$5120.00	\$51.20
Pt Barrow Lions Club	Barrow	\$141865.26	\$23890.32	\$238.90
Valdez Gold Rush Days	Valdez	\$29945.00	\$7402.00	\$74.02
Chugiak High School	Eagle River	\$3090.40	\$1544.45	\$15.44
Kenai Chamber of Commerce	Kenai	\$0.00	\$0.00	\$0.00
Ben Eielson High School	Fairbanks	\$326.00	\$123.00	\$1.23
Izaak Walton League of America	Chugiak			

Bethel Community Services	Bethel	\$142673.00	\$26366.00	\$263.66
Cordova Ice Worm Festival	Cordova	\$1882.00	\$1407.68	\$14.07
Order of Daedalians Flight 20	Eielson AFB		\$0.00	\$0.00
Sterling PTA	Sterling	\$356.74	\$356.74	\$3.37
FBI Natl Academy Associates	Willow	\$2035.00	\$1130.50	\$11.30
Sealaska Heritage Foundation	Juneau	\$3010.00	\$1009.41	\$10.09
Alaska Trucking Assoc	Anchorage	\$0.00	\$0.00	\$0.00
VFW Post 4352	Ketchikan	\$335303.84	\$15064.03	\$150.64
Eagle River Lions Club	Eagle River	\$39389.31	\$3468.06	\$34.68
VFW Post 3836	Talkeetna	\$2778.07	\$1210.13	\$12.10
North-Pacific Rim Housing Auth	Anchorage	\$0.00	\$0.00	\$0.00
District 20 Democrats	Fairbanks	\$247.00	\$227.00	\$2.47
Alano Club of Fairbanks	Fairbanks	\$364504.00	\$13681.00	\$137.00
Alaska World Affairs Council	Anchorage	\$3680.00	\$27.25	\$27.00
North Pacific Rim	Anchorage	\$61203.00	\$29538.00	\$295.00
American Legion Auxiliary 8	Cordova	\$1345.00	\$1020.23	\$10.20
Petersburg-Indian Association	Petersburg	\$34427.00	\$23461.86	\$234.62
Wrangell Chamber of Commerce	Wrangell	\$36369.52	\$9695.10	\$96.95
B.P.O.E. Lodge 2634	Haines	\$14282.00	\$3763.16	\$37.63
American Legion Auxiliary 5	Seward	\$77115.95	\$4683.62	\$46.84
B.P.O.E. 1842	Palmer	\$68906.00	\$25202.00	\$252.02
Olgonik Motor Musers	Wainwright	\$188645.85	\$13586.98	\$135.86
Mat Su Baseball Inc.	Palmer	\$640991.00	\$26877.58	\$268.78
Iditarod Trail Comm	Wasilla			
Kenai Peninsula Ducks Unltd.	Homer	\$9485.00	\$155.00	\$16.00
American Legion Post 31	Yakutat	\$300418.07	\$33884.24	\$383.84
Peninsula Oilers Baseball	Kenai	\$615057.00	\$141547.00	\$1416.00
St Anns Nursing Home	Juneau	\$9472.00	\$6422.60	\$64.23
Alaska Moose Association	Anchorage	\$10000.00	\$2729.63	\$27.30
Pelican Volunteer Fire Dept	Pelican	\$17950.65	\$6309.50	\$63.10
Kenai Peninsula Classified Ass	Seward	\$3194.00	\$1668.00	\$17.00
Junior Achievement of Alaska	Anchorage	\$22038.90	\$19769.48	\$197.69
Juneau Douglas High School	Juneau	\$20856.98	\$15033.98	\$150.33
Alaska Native Health Board	Anchorage	\$743393.97	\$10687.63	\$106.88
Alaska Conservation Foundation	Anchorage	\$0.00	\$0.00	\$0.00
Wrangell Volunteer Fire Dept	Wrangell	\$8159.00	\$6906.00	\$69.06
VFW Post 9890	Barrow	\$484614.50	\$147445.10	\$1474.45
Ketchikan Hospital Auxiliary	Ketchikan	\$1931.00	\$1719.73	\$17.20
ANB/ANS Camp 16	Hydaburg			
American Legion Post 12	Haines	\$206266.00	\$45993.00	\$460.00
Kotlik Headstart	Kotlik	\$0.00	\$0.00	\$0.00
Wasilla Chamber of Commerce	Wasilla	\$15215.15	\$4469.88	\$44.69
Greater Juneau Demo Precinct	Juneau	\$23315.00	\$7877.54	\$78.78
Masonic Temple Holding Corp	Fairbanks	\$0.00	\$0.00	\$0.00
Cook Inlet Housing Authority	Anchorage	\$89016.80	\$7090.91	\$70.91
B.P.O.E. Lodge 1351	Anchorage	\$240772.00	\$17149.12	\$171.49
Assoc of the U.S. Army	Ft. Wainwright	\$3614.00	\$1447.61	\$14.48
B.P.O.E. Lodge 1351	Anchorage			
Assoc of the U.S. Army	Ft Wainwright	\$6923451.06	\$1042170.77	\$9848.62

\$6936191.15

1042170.77

9848.62

Prepared by:  
Steven E. Kettel  
Director  
Income & Excise Audit  
Department of Revenue  
March 23, 1988

<u>Permit No.</u>	<u>Permittee/Bingo Hall</u>	<u>Operator</u>
86-322	Bering Sea Womens Group	None
86-353	Midnight Sun Lioness Club Polar Bingo Hall St. Bingo	Norman Bouffieux Shizue "Sue" Ruebel
86-439	Camp Fire, Chugach Council Plaza Bingo	Gene Hanson
86-445	U.S. Volleyball Association South Anchorage Bingo South Anchorage Bingo Frontier Bingo	Sharroll Fanslau ? Roderick Meade ? Sharroll Fanslau
86-477	Alaskan Scottish Club Frontier Bingo	Sharroll Fanslau
86-505	Anchorage Amateur Radio Club Plaza Bingo	Gene Hanson
86-547	Aleutian/Pribilof Islands Association Lucky Strike Bingo Hall	Marlene Johnson
86-641	Sand Lake Lions Club Plaza Bingo	Gene Hanson
86-699	Kotzebue Lions Club	None
86-799	American Legion Post 21 Midtown Bingo Hall	Doris/Vince Richards

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

H13299

STEVE COWPER, GOVERNOR

STATE OFFICE BUILDING  
P.O. BOX 5A  
JUNEAU, ALASKA 99811-0400

March 9, 1988

Honorable John Sund, Chairman  
House Judiciary Committee  
State Capital Building  
P.O. Box V (Mail Stop 3100)  
Juneau, Alaska 99811

Dear Representative Sund,

Here are our comments in response to each of the proposed amendments contained in Lloyd Miller / Lucky Strike Bingo's letter to the Judiciary Committee. We either agree with or have no opposition to seven of their nine concerns.

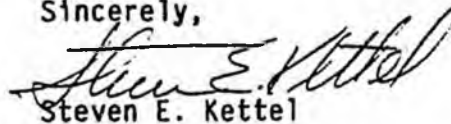
- 1) The Department agrees that it should not be policing a matter that should be between the permittee and the distributor.
- 2) AS 05.15.060 is defining what must be promulgated in the form of regulations. This statute is not meant to be more specific. The Department will be responsive to the public's comments when addressing wage rates in regulations.
- 3) The Department agrees with the proposed law as it is currently written. We don't feel that it is fair to continue to condemn a person for a crime when the courts have established a time period in which the person must pay his/her debt to society.
- 4) Although the Department is flexible on this point, leaving the number of sessions as is will allow more organizations the opportunity to participate in conducting bingo. We have actually had several organizations complain that 9 sessions per month is too many. Increasing the number of sessions to 14 could arguably decrease the number of permittees able to participate in the operator run halls by 35%.
- 5) The Department has no opposition to this proposal, as long as there is some guarantee that the 'member in charge' is in some manner associated with the organization and is responsible for the maintenance of the books and records.
- 6) The Department has no opposition to the proposal and would support an increase to 20% of the adjusted gross receipts.
- 7) (A) The Department has heard of problems with an organization pulling a series before any of the large prizes are won. We would support the mixing of the last 10% of pull-tabs from one series into another similar series, but would require that all pull tabs in a series must be sold.

(B) . The Department has no opposition to this proposal, but with the condition that the Department also received a notice of the defective pull-tabs.

8) The Department believes that there is a misunderstanding as to the intent of actual meaning of AS 05.15.150 (a). The statute does not prohibit organizations from repairing or maintaining an existing individual's home. If, by the repair, or maintenance of an individual's home, or by removing a public hazard, the home is made safer for living, then the use of the proceeds in this manner is acceptable. Additionally, 15 AAC 105.180 allows the erection, buying or leasing of buildings or land for the organization so long as the buildings are used exclusively for educational, civic, public, or religious purposes. Perhaps this also could best be handled in regulations.

9) As so many organizations are now awarding door prizes, whether operator conducted or not, the Department believes that if door prizes were to be allowed, some limit should be placed on the amount allowable as door prizes. Our other option was to eliminate door prizes altogether, but we felt that too many organizations would disagree. At a minimum the provision should not provide a competitive advantage for one hall over another. Finally, in the long run we believe door prizes reduce the amount of funds available to charitable purposes.

Sincerely,



Steven E. Kettel

Director

Income & Excise Audit

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March 3, 1988

\*ALASKA AND DISTRICT OF COLUMBIA BARS  
\*\*WISCONSIN BAR  
ALL OTHERS DISTRICT OF COLUMBIA BAR  
VIA TELECOPIER

Honorable John Sund, Chairman  
House Committee on the Judiciary  
State Capitol Building  
P. O. Box V (Mail Stop 3100)  
Juneau, AK 99811

Re: Comments on proposed gaming  
bill H.B. 299 (Labor Committee  
substitute) (Our file 1302.21)

Dear Representative Sund:

In follow up to a recent discussion with staffmember John Hartle, we submit this letter on behalf of four non-profit health, housing, and social service providers (the Alaska Native Health Board, the Aleutian/Pribilof Islands Association, the Aleutian Housing Authority, and the Kodiak Area Native Association, referred to here as the "non-profits") in connection with H.B. 299, a bill relating to games of chance. We are telefaxing this letter so you have the benefit of these views before the Committee's final consideration of this important bill.

A. Introduction.

The Kodiak Area Native Association and the Aleutian/Pribilof Islands Association are regional non-profit entities serving most of the health and social service needs of qualifying citizens residing on the Aleutian Chain, the Pribilof Islands and in the Kodiak Island area. They operate clinics, alcohol and mental health programs, family assistance programs, vocational job training assistance, higher education programs, weatherization programs, and provide a considerable variety of other services. The Alaska Native Health Board carries out a wide range of health

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programs and research initiatives for the collective benefit of all Alaska Native people across the State. Finally, the Aleutian Housing Authority administers low-income housing projects for communities on the Aleutian Chain and the Pribilof Islands. To further these purposes, in 1986 the four non-profits joined together to establish a bingo hall in Anchorage under the umbrella name of "Lucky Strike Bingo."

For these organizations, gaming revenues are vital to supplement the government-funded programs that each of the non-profits operates. In an era of severe declines in state and federal grants and contracts, dramatically rising costs, and increasing human needs, gaming funds provide a vital and essential bridge. Gaming proceeds are also these organizations' virtual only source of non-restricted funds which can be spent to further their objectives in areas not specifically targeted by an existing grant or government contract. Gaming revenues are thus critical in a faltering economy; without them, the non-profits would be compelled to substantially cut back and narrow their services and activities.

By way of example, gaming revenues have been used to purchase food for needy people in the A/PIA region and to aid needy families in paying funeral expenses. They have been used by ANHB to fund travel to Washington, D.C. to work with the Indian Health Service in improving the administration of federal drug and alcohol treatment programs in the State. They have been used by KANA to establish a fund to build a museum celebrating the cultural heritage of the Native people of the Kodiak region. They have been used by AHA in part to contribute to other non-profit organizations including churches located in the Aleutian Chain. All four of the joint venturers plan to continue using future gaming monies for similar purposes such as social services, for health services, for cultural programs and school scholarship programs.

The experience gained in owning and operating Lucky Strike Bingo under current laws and regulations has given the four non-profits particular insight into the regulation of games of chance. The non-profits generally support the concept of reform of the gaming laws, and wish to offer specific suggestions for the improvement of H.B. 299 as reported out of the Labor and Commerce Committee. Their insight is especially unique in that the non-profits operate their own games of chance as "permittees," and employ salaried staff which are under their direct control. They do not conduct gaming activities through a professional, high-paid "operator." This perspective is critical, for it means the non-profits can offer insights

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strictly from their motivation to maximize the benefits of gaming for charitable organizations while maintaining the integrity of charitable gaming in Alaska.

As a final introductory remark, we think it is important to reflect on the Legislature's past policy regarding games of chance in Alaska. As we see it, the clear intent of the original 1960 gaming laws (as well as the 1976 amendments) was to allow qualifying charitable organizations to engage in limited gaming activities in order to raise revenues and carry out charitable purposes. The notion was to provide a means for fundraising, so that charitable organizations could continue and expand their good works in the State. The principle rationale for legalizing limited gaming has not changed. What has changed is the increased popularity of games of chance coupled with radical changes in the State's economic health. Consistent with the original intent, all amendments must continue to encourage charitable gaming in Alaska while simultaneously providing safeguards against potential abuses.

#### B. Specific Suggestions.

We next address specific sections of the bill in numerical order. In doing so, we emphasize the importance of preserving gaming as a fundraising source for non-profit organizations, and of maintaining a balance between the goals of preserving wide participation by charitable organizations while ensuring that organizations which do elect to become involved have a real opportunity to realize net profits. Please note that below we refer to the Committee substitute for H.B. 299, not the original bill language. We also emphasize that items 2, 4, 8, and 9 below are of special, critical importance.

1. Section 1 (amending A.S. 05.15.20(c)). The non-profits believe that this new subsection is unnecessary. The financial arrangement between a pull-tab distributor and the permittee or operator is strictly a private business matter not relevant to the Department's role in the permit renewal process. They do not believe it proper for the Department to delve into the status of a permittee's accounts with its suppliers. Indeed, this section appears to reflect a new strongarm tactic by pull-tab distributors who may claim, but in fact not be owed, a lawful debt.

2. Section 4 (amending A.S. 05.15.60) and the employee wage problem. This section generally addresses matters which would be more specifically governed by regulations adopted by the

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Department. As you know, last year the Department proposed substantial changes in the current gaming regulations. One of the proposed changes addressed the allowable operational expenses which could be paid out of gross proceeds. The non-profits we represent strongly believe that the current and proposed regulations frequently impose unreasonable limitations which do not further the State's legitimate policy of avoiding diversion of funds to non-charitable purposes or organizations. For example, current and proposed regulations limit the wages which may be paid to employees to one dollar over the established minimum wage. The regulations also prohibit employee bonuses under any circumstances.

The non-profits believe these wage limitations substantially hinder and impede the responsible and professional operation of gaming. As in any business, competent employees are obtained by hiring on a basis competitive with prevailing wage rates. By offering competitive wages, gaming permittees would be able to ensure professional and courteous service to patrons. Given the predisposition of the Department to impose a wage scale, The Legislature should address such important policy questions in H.B. 299 by prohibiting the Department from imposing any hourly wage scales.<sup>1</sup> This could be addressed by adding the following language at the end of subsection (2): "provided that permittees shall not be prohibited from paying their employees prevailing wages."

3. Section 4 (amending A.S. 05.15.60) and the felony rule. Subsection (6) of amended A.S. 05.15.160 (as well as Sec. 13 (new A.S. 05.15.125(c) and (d)) and Sec. 14 (amending 05.15.140(b)(1)) all set forth the new felony rule. The non-profits strongly believe that the State's policy is best served by prohibiting the direct or indirect involvement of any convicted felon in any aspect of gaming at any time. They suggest the prohibition in subsection (6) first be modified as follows: "exclusion from participation in the operation of games of chance of a permittee, licensee, operator, or employee..." (new words underscored). Second, they suggest the five-year limit in all these sections be removed entirely so that a felon could never be involved in running or operating games of chance. Third, if a time limit is retained they suggest ten years instead of five. Finally, they

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<sup>1</sup>Interestingly the Labor Committee substitute already relieves operators from this restriction by allowing them to pay prevailing wages to their employees. (Sec. 17, adding new A.S.05.15.165(d).)

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suggest that the words "felony or misdemeanor" replace the word "crime." Lucky Strike strongly believes this is an area where caution dictates an extra measure of protection.

4. Section 4 (amending A.S. 05.15.60) and the maximum cap on monthly gaming sessions. In new subsection (8) the bill would prohibit the Department from allowing more than nine bingo sessions per month. The four Lucky Strike non-profits very strongly believe that such a limitation is inappropriate and unfairly discriminates against permittees in favor of operators. Such a result is directly contrary to the theme running through much of H.B. 299.

There is no sound reason in logic for imposing such a low cap on the number of sessions which may be held under a permit. Indeed, there may not be any substantial public policy reason for any cap on the number of bingo sessions which may be played per month. Possibly the notion behind such a provision (which is in the old regulations) is noted in an earlier time when it was never anticipated bingo would grow to a point where there would be several full-time bingo halls around the State. H.B. 299 reflects a sound policy that permittees should be encouraged to run their own games and thus realize the maximum amount of profit out of those games in order to fund their charitable activities. Using the auspices of an operator is less favored simply because the result is lower profits to the permittee. A permittee who wishes to run its own bingo hall cannot do so if it is limited to nine sessions per month, given the investment necessary to open a hall and the need to establish a steady recurring clientele. Since an operator can take several permits and play a different permit every night, this means the permittee wishing to conduct bingo games is virtually compelled by a low cap into entering into a far less remunerative arrangement with an operator. The only current way out of this dilemma is the solution found by the four non-profits which formed Lucky Strike Bingo. Here the permittees run their own games, but by pooling their resources are able to maintain a full-time bingo hall that is competitive with the operators in town.

Although there are only 31 days in the longest month, it is possible to play more than one session of bingo per day. When A/PIA, KANA, ANHB, and AHA first began the Lucky Strike program, the 36 sessions which they could play between the four of them was sufficient. However, in the last two years, bingo has become both more competitive and more popular. As operators have added second sessions on more popular days and evenings of the week, Lucky Strike has been forced to match the competition by similarly offering second bingo sessions. Since doing so has

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required conducting more than 36 sessions of bingo per month, the Lucky Strike permittees have found it necessary to locate other permittees to share in their effort. This, in turn, has transformed Lucky Strike into an "operator" a few times a month when that was never the non-profits' intention.

Lucky Strike believes there should be no cap on the number of sessions which can be played per month, and that by eliminating any cap the relative ability of individual permittees and the operators to engage in bingo will be equalized. But, if the Committee continues to feel that some maximum on the number of games which may be played by each permittee is wise, Lucky Strike very strongly urges that the cap be fixed at 14 sessions per month. While any cap will infringe on the ability of permittees to participate in this field relative to operators, a figure of 14 would allow 4 permittees to join together like Lucky Strike and operate the maximum number of sessions which might be demanded by the public in any one given month.

One last remark on this issue is important. It is well known that the Department views Lucky Strike as a model of an efficient and honest bingo operation being run directly by permittees. The Department does not view Lucky Strike as an "operator." Nonetheless, under the bill as drafted, Lucky Strike would be required to secure an operator's license in order to conduct bingo sessions on behalf of permittees other than the four permittees comprising Lucky Strike. So long as there remains a cap of 9 sessions per month, Lucky Strike will be compelled to secure such a license. Since the Department does not view Lucky Strike as an operator, we believe the Department would favor an amendment which would exempt permittees in Lucky Strike's circumstances from the "operator" provisions of the bill (in the event the monthly cap on bingo sessions is neither eliminated nor increased to 14). Should this become necessary, we would be pleased to work with you in fashioning appropriate language to achieve this result. Again, however, the need to do so would disappear if the cap is removed or increased.

5. Section 12 and the "member in charge" requirement (adding a new A.S. 05.15.112). Proposed section 112(b) is drafted on the assumption that although a municipality does not have "members" and only acts through its employees, a "qualified organization" always has members. In fact, however, this is not the case. Under the Alaska Corporations Code, a non-profit organization need not be a membership or a shareholder entity. A non-membership non-profit therefore has no "member" who can technically serve as a "member-in-charge." The bill takes account of this problem when addressing municipalities, but not

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when addressing non-profits. We suggest that the last sentence of subsection (b) therefore be amended as follows: "the member in charge shall be a member, employee or boardmember of the qualified organization or [an employee] of the municipality." References elsewhere in the bill to "members" of a qualified organization should likewise be modified.

6. Section 13 and a permittee's minimum profits from operators (adding a new A.S. 05.15.128(2)). This subsection (page 11, lines 10-13) requires that operators pay their permittees no less than 15% of the adjusted gross income received from games played under permittee's permit. Although Lucky Strike joins wholeheartedly in the concept of a minimum percentage return, Lucky Strike feels that 15% is too low and that 20% is fairer to permit holders. Based upon Lucky Strike's experience in administering bingo games over the last two years, they believe that a lean bingo hall which does not allow for excessive fees to management or operators should be able to yield well in excess of 20% for the permit holders. There is no sound public policy reason why operators should be allowed to retain more than 80% of the adjusted gross income. Although Lucky Strike will not fall within this section because they are not operators, they believe other non-profits not fortunate enough to have an arrangement like theirs should not be unfairly taken advantage of by operators.

7. Section 20 and the operation of pull-tab games (adding A.S. 05.15.187). Subsections (e) and (f) address the handling of pull-tabs. Although Lucky Strike agrees with the concept behind these provisions, they do believe that some modification must be made to account for two special situations. First, the provisions should be revised to allow the mixing of no more than 10% of the pull-tabs from one jar with similar pull-tabs in a different jar. This practical revision is necessary because when only a few pull-tabs are left in a jar, customers typically elect not to purchase the pull-tabs from that jar. The consequence is that such pull-tabs may never be sold so long as they are sitting in the bottom of the jar. This is so despite the fact that the odds of winning on the very last pull-tab are just as good as the odds of winning on the very first pull-tab in a jar. Allowing these last pull-tabs to be added on top of a fresh jar of pull-tabs is the practical solution to this problem, and is a solution which does not contribute to any greater potential for tampering or abuse.

Second, the provisions must be revised to include an exception that will allow the withdrawal of a series of pull-tabs when a manufacturer's defect is discovered. Although this only

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happens rarely, when it does (for instance, when a pull-tab series is misnumbered), obviously such a series must be withdrawn from sale.

8. Existing A.S. 05.15.150. This current provision in the law prohibits permittees from dedicating gaming proceeds to the "acquisition, improvement, maintenance, or repair of real...property...". A.S. 05.15.150(a). The proposed bill leaves this provision unchanged, even though there is good reason for repealing or modifying it. This law currently prohibits organizations like KANA and A/PIA from refurbishing or rebuilding clinics, and bars organizations like AHA from retrofitting homes of needy people. Such restrictions simply make no sense. We therefore suggest existing Section 150(a) be repealed.

9. Section 19 and door prizes. This section adds a new subsection (d) to A.S. 05.15.180 prohibiting a permittee from offering or awarding door prizes exceeding \$1,000 a month or \$12,000 a year. Lucky Strike is deeply concerned about this new provision inserted by the House Labor & Commerce Committee. As you know, door prizes are a very effective way of attracting patrons to bingo halls. Almost all of the bingo halls in Anchorage now offer door prizes of one kind or another, including door prizes of considerable value. So long as a person comes to play bingo they are entitled to participate in the drawing for the door prize (usually held once a month). There is no requirement that patrons purchase a special ticket for the door prize.

By tying the award of door prizes to a limit per permittee, this new section will severely restrict the ability of permittees like Lucky Strike to operate their own games in even competition with operators. This is so because if an operator is operating 15 permits, that operator will be able to offer monthly door prizes up to \$15,000. At the same time, Lucky Strike Bingo, with only 4 permittees running their own games, will only be able to offer door prizes with a cumulative value of \$4,000. There is no sound reason in public policy or logic for this disparity, and the new provision appears to be a simple case of operators having secured a very favorable provision designed to increase their competitive edge over permit holders running their own games. Lucky Strike Bingo strongly urges this Committee to reject section 19 in toto.

In conclusion, the non-profits welcome revisions in the current gaming legislation which would both meet the need for strict accountability in the conduct of games, and further the ability of charitable organizations to raise desperately needed

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funds to meet the ever-increasing demand for health and social services, particularly in rural Alaska. Recognition of the changed nature of the gaming industry and increased guidance given the Department in promulgating regulations will aid in developing realistic charitable gaming legislation.

We have noted earlier that Lucky Strike Bingo has a reputation in the Department as a "model" gaming operation. The four non-profit associations comprising Lucky Strike Bingo strongly desire to maintain and foster an atmosphere of "clean" gaming. Both small and large-scale operations should be allowed to flourish within a legal framework which limits the opportunities for unlawful gain. We look forward to working closely with the Committee and the Legislature in developing a legislative framework that meets these goals.

Sincerely,

Lloyd Benton Miller

Lloyd Benton Miller

LBM:bj  
cc: All Committee members  
John Hartle

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

HB 299  
STEVE COWPER, GOVERNOR

STATE OFFICE BUILDING  
P.O. BOX 5A  
JUNEAU, ALASKA 99811-0400

March 9, 1988

Honorable John Sund, Chairman  
House Judiciary Committee  
State Capital Building  
P.O. Box V (Mail Stop 3100)  
Juneau, Alaska 99811

Dear Representative Sund,

Here are our comments in response to each of the proposed amendments contained in Lloyd Miller / Lucky Strike Bingo's letter to the Judiciary Committee. We either agree with or have no opposition to seven of their nine concerns.

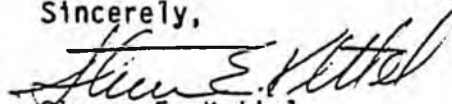
- 1) The Department agrees that it should not be policing a matter that should be between the permittee and the distributor.
- 2) AS 05.15.060 is defining what must be promulgated in the form of regulations. This statute is not meant to be more specific. The Department will be responsive to the public's comments when addressing wage rates in regulations.
- 3) The Department agrees with the proposed law as it is currently written. We don't feel that it is fair to continue to condemn a person for a crime when the courts have established a time period in which the person must pay his/her debt to society.
- 4) Although the Department is flexible on this point, leaving the number of sessions as is will allow more organizations the opportunity to participate in conducting bingo. We have actually had several organizations complain that 9 sessions per month is too many. Increasing the number of sessions to 14 could arguably decrease the number of permittees able to participate in the operator run halls by 35%.
- 5) The Department has no opposition to this proposal, as long as there is some guarantee that the 'member in charge' is in some manner associated with the organization and is responsible for the maintenance of the books and records.
- 6) The Department has no opposition to the proposal and would support an increase to 20% of the adjusted gross receipts.
- 7) (A) The Department has heard of problems with an organization pulling a series before any of the large prizes are won. We would support the mixing of the last 10% of pull-tabs from one series into another similar series, but would require that all pull tabs in a series must be sold.

(B) The Department has no opposition to this proposal, but with the condition that the Department also received a notice of the defective pull-tabs.

8) The Department believes that there is a misunderstanding as to the intent of actual meaning of AS 05.15.150 (a). The statute does not prohibit organizations from repairing or maintaining an existing individual's home. If, by the repair, or maintenance of an individual's home, or by removing a public hazard, the home is made safer for living, then the use of the proceeds in this manner is acceptable. Additionally, 15 AAC 105.180 allows the erection, buying or leasing of buildings or land for the organization so long as the buildings are used exclusively for educational, civic, public, or religious purposes. Perhaps this also could best be handled in regulations.

9) As so many organizations are now awarding door prizes, whether operator conducted or not, the Department believes that if door prizes were to be allowed, some limit should be placed on the amount allowable as door prizes. Our other option was to eliminate door prizes altogether, but we felt that too many organizations would disagree. At a minimum the provision should not provide a competitive advantage for one hall over another. Finally, in the long run we believe door prizes reduce the amount of funds available to charitable purposes.

Sincerely,



Steven E. Kettel

Director

Income & Excise Audit

(907) 465-2320

Original sponsor: Labor and Commerce  
Committee

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 299 (Judiciary)

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  
9 pull-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 shall be paid to the department annually  
29 by the municipality or qualified organization authorized to conduct

1 activities under this chapter. The additional fee is

2 (1) one percent of the net proceeds of the activities au-  
3 thorized under the permit if the gross receipts for the activities  
4 were \$20,000 or more but not exceeding \$100,000; or

5 (2) three percent of the net proceeds of the activities au-  
6 thorized under the permit if the gross receipts for the activities  
7 exceeded \$100,000.

8 (c) A municipality or qualified organization applying for renew-  
9 al of the annual permit shall provide proof satisfactory to the de-  
10 partment that it does not have an outstanding debt for payment of a  
11 tax on pull-tabs under AS 05.15.183 to a pull-tab distributor.

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

13 Sec. 05.15.025. MONEY DEPOSITED IN GENERAL FUND. Money received  
14 by the department under this chapter shall be deposited in the general  
15 fund. The commissioner of administration shall separately account for  
16 the money deposited in the general fund under this section. The  
17 annual estimated balance in the account may be used by the legislature  
18 to make appropriations to the department to carry out enforcement of  
19 this chapter.

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

21 (a) At the time of filing an application for a permit or license  
22 under this chapter the applicant shall notify the city or borough  
23 nearest to the location of the proposed activity <sup>c</sup> the application.  
24 A local government unit may protest the conduct of the activity in its  
25 jurisdiction by resolution stating the reasons for the protest filed  
26 with the department; protests are limited to the lack of qualifica-  
27 tions prescribed by this chapter. This resolution is only a recommen-  
28 dation by the city which may be considered by the commissioner in  
29 determining whether to issue or refuse to issue a permit or license.

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

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

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

7 Sec. 05.15.060. REGULATIONS. The department shall adopt regula-  
8 tions under the Administrative Procedure Act (AS 44.62) necessary to  
9 carry out this chapter covering, but not limited to

10 (1) the issuance, renewal, and revocation of permits and  
11 licenses;

12 (2) a method of ascertaining net proceeds, the determina-  
13 tion of items of expense that may be incurred or paid and the limita-  
14 tion of the amount of the items of expense to prevent the proceeds  
15 from the activity permitted from being diverted to noncharitable,  
16 noneducational, nonreligious, or profit-making organizations, indi-  
17 viduals, or groups;

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

21 (4) the requiring of detailed, sworn, financial reports of  
22 operations from permittees and licensees including detailed statements  
23 of receipts and payments;

24 (5) the investigation of permittees, licensees, and their  
25 employees, including the fingerprinting of those permittees, licens-  
26 ees, and employees whom the commissioner considers it advisable to  
27 fingerprint;

28 (6) exclusion from participation as a permittee, licensee,  
29 or employee of a permittee or licensee of a person convicted of, in

1 prison for, or on parole for a felony within the preceding five years  
2 or convicted of a crime involving theft or dishonesty or of a viola-  
3 tion of a municipal, state, or federal gambling law;

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

7 (8) the number of activities that may be held, operated, or  
8 conducted under a permit during a specified period; however, the  
9 department may not allow more than nine bingo sessions per month and  
10 35 bingo games per session to be conducted under a permit;

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

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

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

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

22 \* Sec. 6. AS 05.15.070 is amended to read:

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

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

2 Sec. 05.15.080. REPORTS AND FEES REQUIRED OF MUNICIPALITIES AND  
3 QUALIFIED ORGANIZATIONS. (a) A municipality or a qualified organiza-  
4 tion issued a permit under this chapter shall file a report with the  
5 department by the 45th day following each calendar quarter in which  
6 the permittee had gross receipts of \$50,000 or more from activities  
7 authorized under this chapter. The report must include the type of  
8 activity conducted, the date and location of the activity, the amount  
9 of gross receipts, the amount of authorized expenses, the value of  
10 prizes awarded, the amount of net proceeds, and other information the  
11 department may require. However, if the only activity conducted by a  
12 municipality or qualified organization during a calendar quarter is a  
13 raffle or lottery, then the municipality or qualified organization is  
14 not required to file a report under this subsection until the raffle  
15 or lottery is completed.

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

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

25 Sec. 05.15.083. REPORTS TO DEPARTMENT BY OPERATORS. (a) An  
26 operator shall file a report with the department by the last business  
27 day of the month following each calendar quarter in which an activity  
28 was conducted. The report must include, for each authorizing permit-  
29 tee on whose behalf an activity was conducted during the quarter, the

1 date and location of each activity, the type of activity conducted,  
2 the amount of gross receipts, the amount of authorized expenses, the  
3 value of prizes awarded, the amount of net proceeds paid, and other  
4 information the department may require; a completed Internal Revenue  
5 Service Form 941; and a copy of the operator's employer contributions  
6 and wage reports submitted to the Department of Labor for the quarter.  
7 However, if the only activity conducted by an operator during the  
8 calendar quarter is a raffle or lottery, then the operator is not  
9 required to file a report under this subsection until the raffle or  
10 lottery is completed.

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

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

1 the month covered by the report.

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

8 (c) An operator shall file an annual report with each authoriz-  
9 ing permittee for which the operator has conducted an activity during  
10 the preceding calendar year. The report must contain an annual sum-  
11 mary of the information provided under (a) of this section. The  
12 operator shall file this report by February 28 of the year following  
13 the year in which the activities were conducted.

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

17 \* Sec. 9. AS 05.15.090 is amended to read:

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

27 \* Sec. 10. AS 05.15 is amended by adding a new section to article 1 to  
28 read:

29 Sec. 05.15.095. GENERAL PROVISIONS RELATING TO THE FILING OF

1 APPLICATIONS AND REPORTS AND PAYMENT OF FEES. (a) The applications  
2 and reports to the department required by this chapter shall be signed  
3 under penalty of perjury by the following person, as applicable:

- 4 (1) the member in charge for the qualified organization;  
5 (2) a person authorized to sign on behalf of the municipal-  
6 ity;  
7 (3) the operator or the operator's agent;  
8 (4) the licensed pull-tab distributor or the distributor's  
9 agent; or  
10 (5) the licensed pull-tab manufacturer or the manufactur-  
11 er's agent.

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

14 (c) A delinquent fee bears interest at the rate set by AS 43.-  
15 05.225.

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

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

25 (a) The commissioner [OF REVENUE] may issue a permit to a munic-  
26 ipality or qualified organization. The permit gives the municipality  
27 or qualified organization the privilege of conducting bingo, raffles  
28 and lotteries, pull-tab games, ice classics, rain classics, goose  
29 classics, mercury classics, salmon classics, dog mushers' contests,

1 fish derbies and contests of skill.

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

3 (c) The commissioner may issue an operator's license to a natu-  
4 ral person to conduct an activity permitted under this chapter on  
5 behalf of a municipality or a qualified organization. The commis-  
6 sioner may also issue an operator's license to a municipality or a  
7 qualified organization authorized to conduct an activity on behalf of  
8 another municipality or qualified organization.

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

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

13 (b) The member in charge is responsible for preparation, mainte-  
14 nance, and transmittal of all records and reports required of the  
15 permittee. The member in charge shall be a member of the qualified  
16 organization or an employee of the municipality.

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

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

23 Sec. 05.15.115. CONTRACTS BETWEEN PERMITTEES AND OPERATORS. (a)  
24 A municipality or qualified organization holding a permit to conduct  
25 an activity under this chapter may enter into a contract with an  
26 operator licensed under this chapter to conduct on behalf of the  
27 municipality or qualified organization those activities permitted  
28 under the authority of the permit.

29 (b) The contract between an authorizing permittee and an

1 operator must include the amount and form of compensation to be paid  
2 to the operator, the term of the contract, the activities to be con-  
3 ducted by the operator on behalf of the permittee, the location where  
4 the activities are to be conducted, the name and address of the member  
5 in charge, and other provisions the department may require.

6 (c) A permittee may not contract with more than one operator at  
7 a time to conduct the same type of activity. For the purposes of this  
8 subsection, bingo games, raffles, lotteries, pull-tab games, ice  
9 classics, rain classics, goose classics, mercury classics, salmon  
10 classics, dog mushers' contests, fish derbies, contests of skill, and  
11 all activities permitted under AS 05.15.100(b) are each a different  
12 type of activity.

13 (d) A permittee shall submit to the department a copy of each  
14 contract with an operator with whom the permittee contracts to conduct  
15 activities subject to this chapter. The permittee shall submit to the  
16 department a copy of the contract or subsequent amendment of the  
17 contract by certified mail at least 15 days before activities are  
18 conducted under the contract or amended contract.

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

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

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

- 27 (1) applies on the form provided by the department;  
28 (2) pays the annual fee of \$500;  
29 (3) discloses the identity of persons employed by the

1 applicant in a managerial or supervisory capacity;

2 (4) submits proof of liability insurance satisfactory to  
3 the department; and

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

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

13 (d) A licensee may not employ a person in a managerial or super-  
14 visory capacity if the person has been convicted of, in prison for, or  
15 on parole for a felony within the preceding five years or convicted of  
16 a crime involving theft or dishonesty or of a violation of a municipi-  
17 pal, state, or federal gambling law.

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

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

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

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

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

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

7 (b) In an application for a permit, a municipality or qualified  
8 organization shall disclose the name and address of each person re-  
9 sponsible for the operation of the activity and whether any person  
10 named

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

15 (2) has a prohibited financial interest, as defined in  
16 regulations adopted by the commissioner, in the operation of the  
17 activity.

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

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

24 \* Sec. 17. AS 05.15.160 is amended to read:

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

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

1 operation of the activity;

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

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

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

9 (B) an operator [A CONSULTANT] hired by the permittee  
10 to conduct [MUNICIPALITY OR QUALIFIED ORGANIZATION CONDUCTING]  
11 the activity if [AND] the compensation is not related to the  
12 receipts from the activity.

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

14 (b) Municipalities, qualified organizations, and operators shall  
15 pay their employees the prevailing wage for the work performed while  
16 the employees are engaged in activities subject to this chapter.

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

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

20 (b) If the department finds that an operator has incurred ex-  
21 penses that are not authorized under AS 05.15.160, the department  
22 shall order the operator to refund to the authorizing permittee the  
23 amount of the unauthorized expenses. The operator shall pay the  
24 authorizing permittee interest on the amount ordered to be paid at the  
25 rate of 1.5 percent a month for each month or fraction of a month  
26 between the date of the activity and the date the refund is made.

27 (c) The operator shall post in a public place on the premises  
28 where the activities are conducted the operator's permit and a copy of  
29 the permit of each authorizing permittee with whom the operator has a

1 contract to conduct activities at the location.

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

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

15 (f) An operator may not

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

18 (2) extend credit to players;

19 (3) employ house players;

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

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

29 (b) The amount forfeited under (a) of this section shall be

1 first used to satisfy delinquent fees, interest, and penalties due the  
2 department under this chapter. If the bond or security is not ex-  
3 hausted by payment of delinquent fees, interest, and penalties, the  
4 department may use the remaining amount to pay net proceeds due an  
5 authorizing permittee. The total amount available for payment of net  
6 proceeds shall be prorated among the permittees to whom proceeds are  
7 due from that operator.

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

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

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

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

18 (d) The total value of door prizes offered or awarded under  
19 authority of a permit issued to a municipality or qualified orga-  
20 nization under this chapter may not exceed \$1,000 a month or \$12,000 a  
21 year.

22 (e) A person under the age of 19 years may not play a bingo  
23 game.

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

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

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

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

5 (d) A pull-tab manufacturer may distribute pull-tabs only to a  
6 licensed pull-tab distributor unless the pull-tab manufacturer is also  
7 a licensed pull-tab distributor.

8 (e) Each pull-tab manufacturer shall report to the department by  
9 the last business day of the month on each series of pull-tabs dis-  
10 tributed during the preceding month, including the serial number of  
11 each series distributed and the name of the distributor to whom the  
12 series was distributed.

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

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

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

18 (c) Pull-tabs may be distributed only from a location in the  
19 state. A person may not distribute pull-tabs directly to another  
20 person in the state from a location outside of this state.

21 (d) A pull-tab distributor shall report to the department by the  
22 last business day of each month on each pull-tab series distributed in  
23 the preceding month. The report must include the name of the permit-  
24 tee to whom each series of pull-tabs is distributed and the serial  
25 number of each series.

26 (e) A pull-tab distributor shall collect a tax of three percent  
27 of an amount equal to the gross receipts less prizes awarded on each  
28 series of pull-tabs distributed. The pull-tab distributor shall pay  
29 to the department the tax collected in the preceding month at the time

1 that the report under (d) of this section is filed with the depart-  
2 ment.

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

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

13 (b) A municipality or a qualified organization may award up to  
14 \$500,000 in prizes each year if it uses only employees of the munic-  
15 ipality or members of the qualified organization to operate the pull-  
16 tab game. However, a municipality or qualified organization may award  
17 more than \$500,000 in prizes if the municipality or qualified orga-  
18 nization pays a fee of one percent of the amount awarded in prizes  
19 after exceeding \$500,000 in prizes. The municipality or qualified  
20 organization shall pay the fee on awards of prizes exceeding \$500,000  
21 with its annual report to the department.

22 (c) If a municipality or a qualified organization contracts with  
23 a.. operator to conduct a pull-tab game on its behalf, the municipality  
24 or qualified organization may award a maximum of \$300,000 in prizes.

25 (d) A pull-tab series may not be sold at more than one location  
26 during the same day.

27 (e) Pull-tabs from different series may not be mixed or com-  
28 bined.

29 (f) A pull-tab series may not be withdrawn from sale until all

1 pull-tabs in the series are sold.

2 (g) Pull-tabs may not be sold to a person under the age of 19  
3 years. A person under the age of 19 years may not purchase a pull-  
4 tab.

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

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

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

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

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

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

27 (5) "dog mushers' association" means a civic, service, or  
28 charitable organization in the state, not for pecuniary profit, formed  
29 exclusively to promote interest in the breeding and training of dog

1 teams for work or recreational and racing purposes [AND WHICH HAS BEEN  
2 IN EXISTENCE FOR FIVE YEARS BEFORE APPLYING FOR A PERMIT UNDER THIS  
3 CHAPTER], but does not include an organization formed or operated for  
4 gaming or gambling purposes;

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

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

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

13 (8) "fishing-derby association" means a civic, service, or  
14 charitable organization in the state, not for pecuniary profit, whose  
15 primary purpose is to promote interest in fishing for recreational  
16 purposes [AND WHICH HAS BEEN IN EXISTENCE FOR FIVE YEARS BEFORE APPLY-  
17 ING FOR A PERMIT UNDER THIS CHAPTER], but does not include an orga-  
18 nization formed or operated for gaming or gambling purposes;

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

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

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

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

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

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

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

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

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

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

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

23 (24) "religious organization" means an organization, church,  
24 body of communicants, or group, not for pecuniary profit, gathered in  
25 common membership for mutual support and edification in piety, wor-  
26 ship, and religious observances, or a society, not for pecuniary  
27 profit, of individuals united for religious purposes at a definite  
28 place and that [HAS BEEN SO GATHERED OR UNITED FOR FIVE YEARS BEFORE  
29 APPLYING FOR A LICENSE AND] is recognized as a religious organization

1 under the federal income tax laws and the selective service law;

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

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

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

11 (27) "adjusted gross income" means gross income less prizes  
12 awarded and state, federal, and municipal taxes paid or owed on the  
13 income;

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

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

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

19 (31) "distribute" means sell, distribute, furnish, or sup-  
20 ply;

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

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

29 (34) "series" means a unit of pull-tabs with the same serial

1        number.

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

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

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Offered: 1/22/88  
Referred: Judiciary and  
Finance

5-0947L

Original sponsor: Labor and Commerce  
Committee

1 IN THE HOUSE

BY THE LABOR AND  
COMMERCE COMMITTEE

2

CS FOR HOUSE BILL NO. 299 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act revising the state gaming laws."

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

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

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

14               (1) \$20 for an applicant that did not hold a permit during  
15       the preceding year;

16               (2) \$20 for an applicant that had gross receipts of less  
17       than \$20,000 from activities conducted under this chapter during the  
18       preceding year;

19               (3) \$50 for an applicant that had gross receipts of \$20,000  
20       or more but not exceeding \$100,000 from activities conducted under  
21       this chapter during the preceding year; or

22               (4) \$100 for an applicant that had gross receipts exceeding  
23       \$100,000 from activities conducted under this chapter during the  
24       preceding year.

25       (b) An additional fee shall be paid to the department annually  
26       by the municipality or qualified organization authorized to conduct  
27       activities under this chapter. The additional fee is

28               (1) one percent of the net proceeds of the activities au-  
29       thorized under the permit if the gross receipts for the activities

1           were \$20,000 or more but not exceeding \$100,000; or

2                       (2) three percent of the net proceeds of the activities au-  
3           thorized under the permit if the gross receipts for the activities  
4           exceeded \$100,000.

5           (c) A municipality or qualified organization applying for renew-  
6           al of the annual permit shall provide proof satisfactory to the de-  
7           partment that it does not have outstanding debts to a pull-tab distri-  
8           butor licensed under AS 05.15.183.

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

10           Sec. 05.15.025. MONEY DEPOSITED IN GENERAL FUND. Money received  
11           under this chapter shall be deposited in the general fund. The com-  
12           missioner of administration shall separately account for the money  
13           received under this chapter. The annual estimated balance in the  
14           account may be used by the legislature to make appropriations to the  
15           Department of Revenue to carry out enforcement of this chapter.

16   \* Sec. 3. AS 05.15.030 is amended by adding a new subsection to read:

17           (c) If a permittee changes the location of an activity in the  
18           jurisdiction for which a permit has been issued, the permittee shall  
19           notify the department and the local government within 10 days after  
20           moving to the new location.

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

22           Sec. 05.15.060. REGULATIONS. The department shall adopt regula-  
23           tions under the Administrative Procedure Act (AS 44.62) necessary to  
24           carry out this chapter covering, but not limited to

25                       (1) the issuance, renewal, and revocation of permits and  
26           licenses;

27                       (2) a method of ascertaining net proceeds, the determina-  
28           tion of items of expense that may be incurred or paid and the limita-  
29           tion of the amount of the items of expense to prevent the proceeds

1 from the activity permitted from being diverted to noncharitable,  
2 noneducational, nonreligious, or profit-making organizations, indi-  
3 viduals, or groups;

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

7 (4) the requiring of detailed, sworn, financial reports of  
8 operations from permittees and licensees including detailed statements  
9 of receipts and payments;

10 (5) the investigation of permittees, licensees, and their  
11 employees, including the fingerprinting of those permittees, licens-  
12 ees, and employees whom the commissioner considers it advisable to  
13 fingerprint;

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

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

22 (8) the number of activities that may be held, operated, or  
23 conducted under a permit during a specified period; however, the  
24 department may not allow more than nine bingo sessions per month and  
25 35 bingo games per session to be conducted under a permit;

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

29 (10) the disposition of funds in possession of a permittee