

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672
7909 HOUSE JUDICIARY

174

APR 12 1993



Alaska State Legislature

Please enter into the record my testimony to the S. FINANCE
 committee name
 committee on SB76, dated 4-7-93
 bill/subject

AS A NON-PROFIT GAMING PERMIT HOLDER
 WE FEEL IT IS APPROPRIATE TO COMMENT ON
 THIS BILL. KODIAK LIONS CLUB HAS BEEN SELLING
 PULL TABS FOR TWO YEARS IN KODIAK, ALASKA.
 WE PAY FOR ALL EXPENSES RELATED TO OUR
 PULL TAB OPERATION INCLUDING SPACE IN A
 LOCAL ESTABLISHMENT, EMPLOYEE PAYROLL,
 INSURANCE, TAXES, BOOKKEEPING EXPENSES &
 VARIOUS OTHER EXPENSES RELATED TO THIS VENTURE.
 WE HAVE BEEN RUNNING OUR PULL TAB OPERATION
 LIKE A BUSINESS & HAVE REALIZED A 40%
 PROFIT MARGIN OR MORE EVERY QUARTER
 SINCE WE BEGAN SELLING THEM. 100% OF
 OUR NET PROFIT GOES TO CHARITY, NEARLY
 ALL OF IT IN KODIAK. (CONT. ON PAGE 2)

Signed: [Signature]
 Testifier

KODIAK LIONS CLUB
 Representing (Optional)

BOX 1735 KODIAK, AK 99615
 Address

907-486-5448
 Phone No.

ALTHOUGH THIS BILL WILL HAVE LITTLE IMPACT ON ~~OUR~~ OUR PULL TAB ACTIVITIES, THE POTENTIAL TO INCREASE PROFITS FOR OTHER CHARITIES IN THE STATE SHOULD MAKE THIS BILL ~~BE~~ VERY ATTRACTIVE TO THEM.

WITH ALL THIS IN MIND WE URGE YOU TO WORK OUT THE CONFLICTS WITH THIS BILL, (SB76) + HB 168, + PROCEED WITH GETTING THIS BILL PASSED AS SOON AS POSSIBLE.

RESPECTFULLY,

JEFF HARLMAN

KODIAK LIONS CLUB SECRETARY
MEMBER IN CHARGE OF GAMING

EMERALD ISLE

APR 12 1993

Store No. 1
Regency Court Mall
452 5379

Store No. 2
Campus Corner Mall
479-7397

Store No. 3
Washington Plaza Mall
479-5821

April 2, 1993

Senator Drew Pierce
Fairbanks, Alaska

RE: House Bill #168
Senate Bill #76

EMERALD ISLE PULL-TABS
3451 Airport Way
Washington Plaza Mall
Fairbanks, Alaska 99709

Dear Senator Frank:

It has come to my attention that the Nickle administration opposes Charitable Gaming and is attempting to put all gaming businesses "out of business" by using blackmail tactics to reinstitute the 40% of the adjusted gross payment issue.

Pull-Tabs is a retail business and we know it is nearly impossible to keep operational expenses within the 60% window that will be remaining.

Perhaps it would be wise to utilize current and correct financial reports issued by operators and permittees to outline questions and allow for public forums regarding the Charitable Gaming question.

Before putting operators out of business I believe the public wants and needs input and say on this issue. If we go out of business, what plan does the State of Alaska have for taking care of the financial needs of the Charitable Organizations that are so much a part of every community statewide.

We provide jobs, add substantial tax revenue to the state general fund, and provide a major portion of the budgets for the permittees.

EMERALD ISLE

Store No. 1
Regency Court Mall
452-5379

Store No. 2
Campus Corner Mall
479-7397

Store No. 3
Washington Plaza Mall
479-5821

State regulations in a continuous state of flux cause a great deal of accounting, but few operators complain about this cost. Rather, we gladly comply as do many others, in order to provide the funds for our permitted charitable work.

It is not out of the question to consider a slight raise from 15% to even as much as 25% but at 40% it would put Operators out of business.

Sincerely,

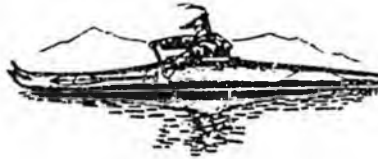


Lillian "Ruth" Shannon
Owner/Operator

LRS/dw

APR 12 1993

**Kodiak
Area
Native
Association**



402 Center Avenue
Kodiak, Alaska 99615
Phone (907) 486-5725

April 6, 1993

DRUE PEARCE
ALASKA STATE LEGISLATURE
STATE CAPITOL
JUNEAU AK 99801-1182

Dear Senator Pearce

We are strongly opposed to HB 168 and SB76 which would effectively shut down charities gaming. We recently obtained a grant to build and equip our Kodiak Area Native Association Cultural Museum. Without the income from the charities gaming we will not be able to pay staff to manage the project we have spent years planning and collecting artifacts for.

Charities gaming is responsible for funding many other important, necessary programs and charitable organizations which otherwise would not exist.

It is incomprehensible to us why anyone would want to do this. With the cutbacks of the State of Alaska budget it is likely that these programs won't be able to look there for continued funding.

Please take more time to think this through.

Sincerely

KODIAK AREA NATIVE ASSOCIATION
KELLY SIMEONOFF, JR., PRESIDENT

Handwritten signature of Kelly Simeonoff, Jr.

Kelly Simeonoff, Jr.
President

KS:kc

APR 12 1993

Grand Treasurer
Sarah Brazier
Box 321
Castle Rock, Washington 98611



Grand Secretary
Mary-Helen Carroll
347 So. 4th
Walla Walla, Was. .gton 99362

Altruistic Chairman
Hazel Campbell
723 'G' St.
Washougal, WA 98671

Grand Press Correspondent
Donna Waltrip
1828 S. 42nd
Tacoma, WA 98408

MARJORIE DALE
Grand Chief

PYTHIAN SISTERS OF WASHINGTON
1406 Zarvis Place
Anchorage, Alaska 99508

4-9-83

Dear Duce,

We need a law to keep track of all Bingo sheets sold? How many are being played and unaccounted for?

I endorse Roger Cunninghams amendment to ~~SB 76~~ I think this would help a lot.

Something else to think about Minnesota gives 25% of the total Gross to Charities and their expenses must come out of the remaining 75% as well as their profit.

Keep up the good work.

Sincerely

Marjorie Dale

EEK CITY COUNCIL
P.O. BOX 009
EEK, ALASKA 99578
(907) 536-5129
FAX (907) 536-5711

FAX COVER LETTER

Date 4-13-93 FAX No. 465-2864 Total pages w/ cover 3

Following pages are for Drue Pearce

Organization: Alk. St. Senate

From: EEK City Council

Additional Notes:

City Of Eek
Parks & Recreation
P.O. Box 21
Eek, Alaska 99578
(907) 536-5731

EEK CITY COUNCIL
P.O. BOX 009
EEK, ALASKA 99578
(907) 536-5129

Resolution #93-04

Joint Resolution by Eek Parks and Recreation Committee and Eek City Council of City of Eek Recognized under AS Title 29, opposing to HB168 and SB 76.

WHEREAS, Eek Parks and Recreation Committee and Eek City Council are strongly to ~~oppose~~ HB168 and SB76, since HB168 and SB76, ~~our~~ minimum return percentages so high it would effectively shut down charitable gaming in the State. SB76 will also contain similar high percentages that will kill charities, and

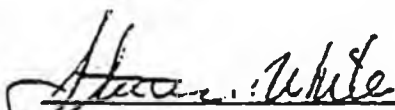
WHEREAS, additionally, these bills redefine qualified charities in a way that cuts out most organizations that are now holding permits, such as Eek Parks and Recreation Department of City of Eek, and

WHEREAS, we believe that the legislatures are effectively closing their ears to need for further testimony on the impact of HB168 and SB76, and

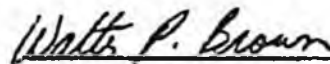
NOWHEREFORE BE IT RESOLVED, that the legislators take more time, and give us opportunity for more public testimony on this legislation, since gaming is so vital to the health of our charity, and

FURTHER IT BE RESOLVED, that the Eek Parks and Recreation Committee and Eek City Council request to our legislatures to oppose HB168 and SB76.

Passed this day _____ of April 1993 with the Constitute of Quorum with _____
Ayes _____ Naves.



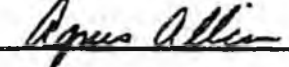
Steven White, Mayor
City Council



Walter P. Brown, Chairperson
Eek Parks and Recreation Committee

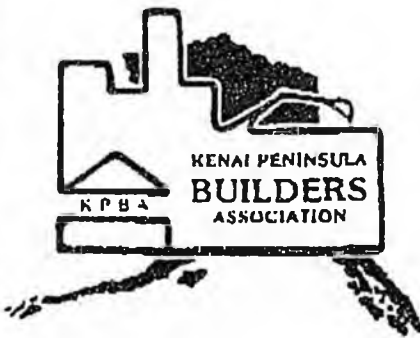
Attest: 

Fritz E. Petluska, City Clerk
Eek City Council

Attest: 

Agnes Allison, Secretary
Eek Parks and Recreation Committee

APR 12 1993

**MEMORANDUM**

TO: Senator Drue Pearce
FROM: Kenai Peninsula Builders Association
DATE: April 9, 1993
RE: Senate Bill No. 76 7

The Kenai Peninsula Builders Association respectfully requests the following modifications to SB 76, and thanks you in advance for your consideration of our suggestions.

Sec. 14. AS 05.15.150 (a)(2)

We request that the restriction on the use of net proceeds for lobbying efforts be limited to registered lobbyists. We thank you for suggesting this wording during yesterday's teleconference and urge that the legislation be amended to read:

(2) the use, directly or indirectly, of the net proceeds of the charitable gaming activity to support lobbying efforts BY REGISTERED LOBBYISTS before any level of government;

Sec. 23. AS 05.15.187 (i)

We suggest that the word operator be added to this section and that receipts for prizes of \$50 or more be required from all pull-tab sellers to aid in accountability.

Sec. 24. AS 05.15.188 (l)

We suggest that the use of pull-tab ticket dispensing machines be optional due to the high cost of the devices and the possible servicing problems that could occur.

The Kenai Peninsula Builders Association supports Senate Bill 76 and thanks you for sponsoring this responsible legislation!



Working for
Alaska's
Mental
Health

Alaska Mental Health Association

4050 Lake Otis Parkway, Suite 202 • Anchorage, Alaska 99508 • (907) 563-0880

February 10, 1993

Sen. Drue Pearce
Alaska State Capitol
Juneau, Ak 99801-1182

Dear Senator Pearce

I read in the Anchorage Daily News that you are sponsoring legislation that would bar convicted felons or those with illegal gambling convictions from participation in charitable gaming. On behalf of the Mental Health Association, this letter supports your efforts.

Over the past several years, AMHA has raised a substantial portion of its annual budget by the sale of pull-tabs in both "leased space" arrangements and with a commercial operator. Our revenues were severely curtailed by the ban on "3rd Party Vendors" in December, 1990. With the passage of your legislation, perhaps a sound, business-like 3rd party vendor bill would be possible.

We have explicit trust in those who operate under our permit. Over time however, we have been approached by a any number of operators and promoters offering fundraising opportunities "too good to be true...."

It is our sincere belief that some of those persons (who made "too-good-to-be-true" offers) are the very element your bill would seek to eliminate from charitable gaming in Alaska. We applaud your effort on our behalf.

Yours truly

G. Steven Durgan
Alternate-Member-In-Charge
Fund Raising Coordinator for Charitable Gaming



DIAMOND JIM'S ENTERPRISES

P.O. Box 2068 • Kodiak, AK 99615 • (907)488-3959

James L. Fisk Jr.
Chief Executive Officer

FEBRUARY 11, 1993

SENATOR DRUE PEARCE
STATE OF ALASKA DIST. "F"
CO-CHAIRPERSON FINANCE
JUNEAU, ALASKA 99801-1182
907-465-4993 OFFICE
907-465-3872 FAX

REFERENCE: SENATE BILL #76

DEAR SENATOR PEARCE:

THANKS, WHAT A BREATH OF FRESH AIR YOUR BILL WOULD BRING TO THE GAMES OF "CHANCE AND SKILL". ITS TOO LITTLE TO LATE IS NOT THE WORDS, ITS BETTER LATE THAN NEVER. THANKS AGAIN...

SENATOR, LOOKING AT THE HISTORY OF GAMBLING NATION WIDE (85%) OF THE ABUSERS ARE CONVICTED FELONS OR SECOND TIME OFFENDERS. BUT IN ALASKA SINCE THE GAMING REFORM ACT OF (1988) WAS PASSED THEIR HAS BEEN A PATTERN OF ABUSE BY FORMER FELONS OR ABUSERS OF THEFT OR DISHONESTY, OR VIOLATIONS OF MUNICIPAL, STATE, OR FEDERAL GAMBLING LAWS.

THE PERMITTEES HAVE BEEN TRYING FOR A NUMBER OF YEARS TO GET THE LEGISLATURE TO BAN THAT TYPE OF ACTIVITIES DESCRIBED IN YOUR BILL NO.76, WITH NO AVAIL.

SENATOR PEARCE AND THE REST OF THE LEGISLATURE MUST LISTEN TO THE PERMITTEES WHO ARE THE ONES THAT HOLD THE RIGHT TO DO GAMING IN ALASKA, AND MUST NOT ALLOW ANY STRONG INFLUENCE FROM ANY POLITICAL, OR POLITICAL ORGANIZATIONS WHO MY RECEIVE ANY CONTRIBUTION, OR PROCEEDS FROM ANY GAMING ACTIVITIES LICENSED TO OPERATE IN THE STATE OF ALASKA.

TO IN SURE THAT THIS BILL PASSES THE EIGHTEENTH LEGISLATURE-FIRST SESSION WE AS PERMITTEES WILL DO EVERYTHING POSSIBLE IN SUPPORTING YOUR BILL AND OTHER AMENDMENTS THAT WILL AID TO A BETTER GAMING INDUSTRY IN ALASKA.

SINCERELY,


JAMES L. FISK JR.

Diamond Jim's Harvester Inn
1223 Mill Bay Road
(907)486-4428

P.S. Ribbon last night, none
in stock at office sorry.

Office
(907)488-3959
(907)488-7088
FAX (907)488-7099

Fisk's Trucking
3728 Otnelci Way
(907)488-3959

TOKSOOK BAY TRADITIONAL COUNCIL
 P.O. Box 37048
 Toksook Bay, Alaska 99637
 Phone: 427-7114 - FAX: 427-7714

M E M O R A N D U M

TO: Senator Al Adams
 Senator George Jacko
 Rep. Richard Foster
 Rep. Lyman Hoffman
 FROM: James R. Charlie, Sr., Exec. Dir. & CEO
 DATE: April 5, 1993
 SUEJ: SB 76 and HB 168

In reference to SB 76 and HB 168, I would like to draw to your attention the heavy impact the new charitable gaming regulations will have on organization like ours.

With declining State and Federal fund capital projects and assistances, the State should not burden small villages like ours who relies on income received for day to day operation of the offices. Toksook Bay is not the only village that relies on income from charitable gaming activities. Almost, if not all, all communities depends heavily on income from charitable games and high return percentage will definitely wipe out many operations which are really the life lines of very existence of tribal governments. Due to the complicated federal grants application procedures, many of the village program proposals are not usually accepted for funding but very few.

We understand that HB 168 sets minimum return percentages so high it would effectively shut down charitable gaming in the state. SB 76 will also contain similiar high percentages that will kill charities. Additionally, these bills redefine "qualified" charities in a way that cuts out most organizations like ours that are now holding permits. As a result, we request that an opportunity for testimonies from charitable gaming permit holders be allowed and gave us more time to collaborate on this important issue. Interim hearings on these bills are highly recommended as the change in regulations will affect many rural Alaskan villages.

cc: Governor Walter J. Hickel
 Rep. Carl Moses
 Senator Drue Pearce
 Senator Robin Taylor

Post-It™ brand fax transmittal memo 7971 # of pages 1

To	Drue Pearce	From	James Charlie
Co.		Co.	
Dept.		Phone #	427-7114
Fax #	465-3872	Fax #	427-7114



March 31, 1991

Dear State Representative or State Senator:

This letter is to express our strong opposition to HB 168 and SB 76 which have currently been introduced to the House and Senate. As a permit holder, we urge you to please not rush these bills through, and allow time for more public testimony.

We would also like the opportunity to testify on these bills and ask for interim hearings on HB 168 and SB 76.

HB 168 sets minimum return percentages so high it would effectively shut down charitable gaming in the state. SB 76 also contains similar high percentages that will kill charities. Additionally, these bills redefine "qualified" charities in a way that cuts out most organizations that are now holding permits.

In your haste to pass legislation, please don't close your ears to the need for further testimony on the impact of these bills.

We are the Anchorage Sports Association, Inc. and, a non-profit organization that has held a gaming permit for ten (10) years.

Sincerely,

A handwritten signature in cursive script that reads "Debbie Hill".

Debbie L. Hill
Member-In-Charge of Games

Snoan

Alaska State Legislature

During Interim:
3111 C Street, Suite 150
Anchorage, AK 99503-3925
(907) 561-2038
Fax (907) 561-4194



During Session:
State Capitol
Juneau, AK 99801-1182
(907) 465-4993
Fax (907) 465-3872

Senator Drue Pearce District F

To: Representative Brian Porter, Chairman
House Judiciary Committee

From: Senator Drue Pearce *Drue Pearce*

Date: April 22, 1993

Re: The Gambling Limitation Act of 1993

There are many rumors about this legislation. While this bill may seem long and complex, it is really very simple. It does two main things. It increases the amount of money going to charitable nonprofits and it prevents the criminal element from gaining a foothold in our state gaming industry. It does this without increasing gambling in Alaska.

This bill restricts the ways profits derived from gaming may be used. Rather than allowing the current diversion of gaming profits to the political campaigns of politicians, this bill benefits charities by increasing their guaranteed percentage of return from gaming activities. It permissively allows charities alternatives to placing their permits with "for profit" operators. The bill does shift the flow of money in favor of the charities. It gives nonprofits additional avenues by which to generate money using their permits while restricting the activities of "for profit" operators.

The bill I originally introduced:

- 1) Prevents criminal elements from gaining a foothold in Alaskan gaming by denying some felons access and controlling the access of others. If an individual has been convicted of a crime that was a class A felony, unclassified felony, or a crime involving theft, dishonesty, or gambling laws within the state of Alaska, or any other jurisdiction, than this individual would be prohibited for life from involvement with gaming in any supervisory or managerial capacity. This bill also allows the department some discretion for people convicted of lessor crimes after 10 years have passed.
- 2) Disallows the use of bingo or pull-tab net proceeds for direct political contributions to candidates. All nonprofits, including political parties and labor organizations, would still be allowed to hold permits and

use their proceeds for administrative expenses or other uses. They could also still use raffles and other permitted games to earn money which could then be used for direct contributions to candidates.

3) The Finance CS adds:

- a) A prohibition against using net proceeds to directly or indirectly pay registered lobbyists for any reason.
- b) Third party vendor language. This language permissively allows charitable organizations direct profitable alternatives to placing their permits with "for profit" operators. Permittees who operate their own permits often double their net proceeds. The bill allows permittees to contract with vendors to sell pull-tabs for the permittee. Vendors would be required to pay permittees 50% of the ideal net proceeds to the permittee when the pull-tabs are delivered to the vendor. Vendors are limited to those facilities that possess a package store license or a beverage dispensary license granted by the ABC board. Those facilities possessing the beverage dispensary license and granted a restaurant designation by the ABC board would be restricted to selling pull-tabs only in those areas off limits to minors.
- c) Multiple beneficiary permit language. This language allows the Department to issue permits authorizing 2 to 6 permittees to jointly operate their permits. This benefits permittees who band together by allowing them to hire a management team to run their games that is answerable only to them. They would have direct hire and dismissal authority. Currently there are more permittees seeking to place their permits with operators than there are operators to run them. While most operators run honest businesses, there are those that do extort concessions beyond what most people would consider ethical.
- d) A requirement for the Department of Commerce to approve contracts between operators and permittees.
- e) Language that allows the Department to revoke a permit, license, or vendor registration upon proof that insider information was given or acted upon.
- f) A requirement that the Department license out-of-state manufacturers of pull tabs.
- g) A requirement that operators increase the return of net proceeds from pull-tabs to charities from 15% to 30%. The return on other gaming activities is increased from 0% to 10%.

Under existing law pull-tabs can be sold in bars and liquor stores, but current statute does not provide clear guidelines for direct third party relationships between permittees and these facilities. The third party provisions contained in this bill provide for a reasonable licensing scheme for activities that are already occurring. Compliance within existing statute is currently difficult to regulate. This bill provides the department with the needed tools it needs to effectively regulate these third party activities.

601 organizations were issued 1,320 permits for pull-tabs. Of those 1320 permits to sell pull-tabs, 537 of them were issued to establishments which sell alcohol. Some establishments sell pull-tabs for numerous different organizations, thus one of these establishments could have several permits. Vendors are being defined to those establishments that are already able to sell or are already selling pull-tabs. All bars and package liquor stores in Alaska can currently sell pull-tabs, but many do not. Under this bill all bars and package liquor stores in Alaska can sell pull-tabs, but many will choose not to.

This bill does not expand gambling in Alaska. This bill does not put genuine charitable organizations out of business. It does not set unrealistic minimum returns to charities. It does not eliminate nonprofit charities from holding permits. Rather, it increases by 100% guaranteed pull tab receipts to charities. Every nonprofit now eligible stays eligible. And, they will be allowed to retain even greater proceeds if they become direct operators by placing their permit with a third party vendor.

I would urge you to immediately take action to pass this legislation on to its next committee of referral without amendment.

GREEN

AMENDMENT

OFFERED IN THE HOUSE

TO: CS for Senate Bill No. 76(FIN)

Prohibiting Pull Tabs in places of Alcohol consumption

Page 9, Line 22

delete "or" and insert "permitting pull tabs where liquor is consumed, or "renumber any following articles as appropriate"

A M E N D M E N T #6

OFFERED IN THE HOUSE
TO: CSSB 76(FIN)

Page 3, line 5, after " ; ":

Insert "relating to what is a 'qualified organization';"

Page 9, after line 25:

Insert a new bill section to read:

**** Sec. 16.** AS 05.15.150(a) is repealed and reenacted to read:

(a) The authority to conduct the activity authorized by this chapter is contingent upon the dedication of the net proceeds of the charitable gaming activity to the awarding of prizes to contestants or participants and to educational, civic, public, charitable, patriotic or religious uses in the state. "Educational, civic, public, charitable, patriotic, or religious uses" means uses benefiting persons either by bringing them under the influence of education or religion or relieving them from disease, suffering, or constraint, or by assisting them in establishing themselves in life, or by providing for the promotion of the welfare and well-being of the membership of the organization within their own community, or by erecting or maintaining public buildings or works, or lessening the burden on government, but does not include

(1) the direct contribution of proceeds of a bingo or pull-tab game to a candidate for a public office of the state or a political subdivision of the state or to that candidate's campaign organization;

(2) the payment of any portion directly or indirectly of the net proceeds of the charitable gaming activity to a lobbyist registered under AS 24.45; or

(3) the erection, acquisition, improvement, maintenance, or repair of real, personal, or mixed property unless it is used exclusively for one or more of the permitted uses."

Renumber the following bill sections accordingly.

Page 14, after line 20:

Insert a new bill section to read:

**** Sec. 30.** AS 05.15.210(29) is amended to read:

(29) "qualified organization" means a bona fide civic or service organization or a bona fide religious, charitable, fraternal, veterans, labor, [POLITICAL,] or educational organization, police or fire department and company, dog mushers' association, outboard motor association, or fishing derby or nonprofit trade association in the state, that

(A) operates without profits to its members;

(B) [AND THAT] has been in existence continually for a period of three years immediately before applying for a license; and

(C) is described in 26 U.S.C. 501(c)(3) (Internal Revenue Code) and exempt from taxation under 26 U.S.C. 501(a) (Internal Revenue Code) [THE ORGANIZATION MAY BE A FIRM, CORPORATION, COMPANY, ASSOCIATION, OR PARTNERSHIP];"

Renumber the following bill sections accordingly.

Page 15, after line 25:

Insert a new bill section to read:

**** Sec. 33.** AS 05.15.210(27) is repealed."

Renumber the following bill sections accordingly.

Page 15, line 26:

Delete "12 and 16"

Insert "12, 16, 17, 30, and 33"

Page 15, line 28:

Delete "16"

Insert "17"

Page 15, after line 28:

Insert a new bill section to read:

"* Sec. 36. Sections 16, 30, and 33 of this Act take effect January 1, 1994."

AMENDMENT 7

OFFERED IN THE HOUSE

TO: CSSB 76(FIN)

Page 2, line 11:

Delete "30"

Insert "40"

Page 2, line 12:

Delete "70"

Insert "60"

Page 2, line 14:

Delete "10"

Insert "15"

Page 2, line 15:

Delete "90"

Insert "85"

Page 7, line 24:

Delete "30"

Insert "40"

Page 7, line 25:

Delete "10 [15]"

Insert "15"

Page 9, line 28:

Delete "70"

Insert "60"

Page 10, line 1:

Delete "90"

Insert "85"

AMENDMENT

8

OFFERED IN THE HOUSE
TO: CSSB 76(FIN)

Page 2, line 18:

Delete "50"

Insert "75"

Page 13, line 18:

Delete "50"

Insert "75"

A M E N D M E N T # 1

OFFERED IN THE HOUSE

TO: CSSB 76(FIN)

Page 1, lines 1 - 11:

Delete all material and insert:

""An Act prohibiting the sale, manufacture, or distribution of pull-tabs in the state;"

Page 1, line 12:

Delete "manufacturers;"

Page 2, line 4:

Delete "vendor,"

Page 2, line 5:

Delete "or venor"

Page 2, line 10, following "gaming":

Delete all material.

Page 2, lines 11 - 12:

Delete all material.

Page 2, line 13:

Delete "income from that activity;"

Page 2, line 15:

Delete "other than pull-tabs"

Page 2, line 16:

Delete "requiring a permittee"

Page 2, lines 17 - 19:

Delete all material.

Page 2, line 24:

Delete "license, or registration"

Insert "or license"

Page 3, line 1:

Delete "or pull-tab"

Page 3, line 10, through page 4, line 30:

Delete all material and insert:

"Sec. 05.15.060. REGULATIONS. The department shall adopt regulations under the Administrative Procedure Act (AS 44.62) necessary to carry out this chapter covering, but not limited to,

- (1) the issuance, renewal, and revocation of permits and licenses;
- (2) a method of ascertaining net proceeds, the determination of items of expense that may be incurred or paid, and the limitation of the amount of the items of expense to prevent the proceeds from the activity permitted from being diverted to noncharitable, noneducational, nonreligious, or profit-making organizations, individuals, or groups;
- (3) the immediate revocation of permits and licenses authorized under this chapter if this chapter or regulations adopted under it are violated;
- (4) the requiring of detailed, sworn, financial reports of operations from permittees and licensees including detailed statements of receipts and payments;
- (5) the investigation of permittees, licensees, and their employees, including the fingerprinting of those permittees, licensees, and employees whom the commissioner considers it advisable to fingerprint;
- (6) [EXCLUSION FROM PARTICIPATION AS A PERMITTEE,

LICENSEE, OR EMPLOYEE OF A PERMITTEE OR LICENSEE, 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 MUNICIPAL, STATE, OR FEDERAL GAMBLING LAW;

(7) the method and manner of conducting authorized activities and awarding of prizes or awards, and the equipment that may be used;

(7) [(8)] the number of activities that may be held, operated, or conducted under a permit during a specified period; however, the department may not allow more than 14 bingo sessions a month and 35 bingo games a session to be conducted under a permit; the holders of a multiple-beneficiary permit under AS 05.15.100(d) may hold, operate, or conduct the number of sessions and games a month equal to the number allowed an individual permittee per month multiplied by the number of holders of the multiple-beneficiary permit;

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

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

(10) [(11)] restrictions on the participation by employees of the Department of Fish and Game in salmon classics and in king salmon classics, and by employees of Douglas Island Pink and Chum in king salmon classics;

(11) [(12)] other matters the commissioner considers necessary to carry out this chapter or protect the best interest of the public."

Renumber the following bill sections accordingly.

Page 5, line 2:

Delete ", "

Insert "or [.]"

Page 5, lines 3 - 4:

Delete ", a registered vendor, or a person licensed to manufacture or to distribute pull-tabs in the state"

Insert [, OR A PERSON LICENSED TO MANUFACTURE OR TO DISTRIBUTE PULL-TABS IN THE STATE]

Page 5, following line 5:

Insert new bill sections to read:

"* Sec. 4. AS 05.15.095(a) is amended to read:

(a) The applications and reports to the department required by this chapter shall be signed under penalty of unsworn falsification by the following person, as applicable:

- (1) the member in charge for the qualified organization;
- (2) a person authorized to sign on behalf of the municipality; or
- (3) the operator or the operator's agent [;
- (4) THE LICENSED PULL-TAB DISTRIBUTOR OR THE DISTRIBUTOR'S AGENT; OR
- (5) THE LICENSED PULL-TAB MANUFACTURER OR THE MANUFACTURER'S AGENT].

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

(a) The commissioner may issue a permit to a municipality or qualified organization. The permit gives the municipality or qualified organization the privilege of conducting bingo, raffles and lotteries, [PULL-TAB GAMES,] ice classics, rain classics, goose classics, mercury classics, salmon classics, king salmon classics, dog mushers' contests, fish derbies, and contests of skill."

Renumber the following bill sections accordingly.

Page 5, line 20:

Delete ", or register as a vendor"

Page 5, line 26:

Delete "or vendor"

Page 5, line 27:

Delete "or vendor"

Page 5, line 28:

Delete ", "

Insert "or"

Page 5, line 29:

Delete ", or vendor"

Page 6, following line 31:

Insert a new bill section to read:

"* Sec. 11. AS 05.15.115(c) is amended to read:

(c) A permittee may not contract with more than one operator at a time to conduct the same type of activity. For the purposes of this subsection, bingo games, raffles, lotteries, [PULL-TAB GAMES,] ice classics, rain classics, goose classics, mercury classics, salmon classics, king salmon classics, dog mushers' contests, fish derbies, contests of skill, and all activities permitted under AS 05.15.100(b) are each a different type of activity."

Re-number the following bill sections accordingly.

Page 7, lines 14 - 17:

Delete all material.

Re-number the following bill sections accordingly.

Page 7, lines 24 - 25:

Delete "30 percent of the adjusted gross income, as determined under (1) of this subsection, from a pull-tab activity or at least"

Page 7, lines 26 - 27:

Delete "from a gaming activity other than pull-tabs."

Page 9, line 17:

Delete "or pull-tab"

Page 9, line 26:

Delete "new subsections"

Insert "a new subsection"

Page 9, lines 27 - 29:

Delete all material

Reletter the following subsection accordingly.

Page 9, line 31:

Delete "other than pull-tabs"

Page 10, line 3:

Delete ", LICENSE,"

Page 10, line 4:

Delete "VENDOR REGISTRATION"

Insert "LICENSE"

Page 10, line 5:

Delete ", license, or vendor registration"

Insert "or license"

Page 10, lines 6 - 7:

Delete ", licensee, or vendor"

Insert "or licensee"

Page 10, lines 10 - 11:

Delete ", licensee, or registered vendor"

Insert "or licensee"

Page 10, line 13:

Delete ", licensee, or vendor"

Insert "or licensee"

Page 10, line 15:

Delete ", licensee, or vendor"

Insert "or licensee"

Page 10, line 16:

Delete "or, in the"

Page 10, lines 17 - 21:

Delete all material

Insert "."

Page 10, line 22:

Delete "or vendor registration"

Page 10, line 23:

Delete "or vendor" in two places.

Page 10, line 24:

Delete "registration"

Page 10, following line 26:

Insert a new bill section to read:

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

(b) With the exception of raffles, lotteries, bingo games, [PULL-TAB

GAMES,] rain classics, goose classics, mercury classics, salmon classics, king salmon classics, and other activities authorized under AS 05.15.100(b), an activity may not be licensed under this chapter unless it existed in the state in substantially the same form and was conducted in substantially the same manner before January 1, 1959."

Renumber the following bill sections accordingly.

Page 11, line 16, through page 13, line 23:

Delete all material.

Renumber the following bill sections accordingly.

Page 13, line 24:

Delete "a new section"

Insert "new sections"

Page 14, following line 11:

Insert a new section to read:

"Sec. 05.15.197. PULL-TAB GAMES PROHIBITED. (a) The sale, manufacture, or distribution of pull-tab games is prohibited.

(b) In this section, "pull-tab game" means a game of chance where a card, the face of which is covered to conceal a number, symbol, or set of symbols, is purchased by the participant and where a prize is awarded for a card containing certain numbers or symbols designated in advance and at random.

Page 14, line 15:

Delete "license, or vendor registration"

Insert "or license"

Page 14, lines 25 - 27:

Delete all material.

Renumber the following paragraphs accordingly.

Page 15, line 8:

Delete ";"

Insert "."

Page 15, lines 9 - 24:

Delete all material.

Page 15, line 25:

Delete "and 05.15.140(c)"

Insert "05.15.140(c), 05.15.181, 05.15.183, 05.15.184, 05.15.185, 05.15.187,
05.15.210(a), 05.15.210(28), and 05.15.210(34)"

Page 15, line 26:

Delete "12 and 16"

Insert "13 and 17"

Page 15, line 28:

Delete "12 and 16"

Insert "13 and 17"

A M E N D M E N T

2

OFFERED IN THE HOUSE

T(): CSSB 76(FIN)

Page 3, line 5, following "statutes":

Insert "providing communities with the authority by local option election to prohibit the sale of pull-tabs and the operation of pull-tab games within the community;"

Page 13, line 24:

Delete "a new section"

Insert "new sections"

Page 14, following line 11:

Insert new sections to read:

"Sec. 05.15.197. PROHIBITION OF THE SALE OF PULL-TABS. (a) The following question, appearing alone, may be placed before the voters of a municipality or an established village in accordance with AS 05.15.198: "Shall the sale of pull-tabs and the operation of pull-tab games in (name of municipality or village) be prohibited? (yes or no)".

(b) If a majority of the voters vote "yes" on the question set out in (a) of this section, the department shall be notified immediately after certification of the results of the election and thereafter the department may not issue a license, permit, or vendor registration authorizing the sale of pull-tabs or the operation of pull-tab games within the boundaries of a municipality and in unincorporated areas within five miles of the boundaries of the municipality or within the perimeter of an established village. Existing licenses, permits, and vendor registrations for the sale of pull-tabs or the operation of pull-tab games within the boundaries of a municipality and in unincorporated areas within five miles of the boundaries of the municipality or within

the perimeter of an established village that has prohibited the sale of pull-tabs by local option election held under this section are void 90 days after the results of the election are certified. A license or vendor registration that will expire during the 90 days after the results of a local option election under this section are certified is void as of the expiration date.

Sec. 05.15.198. PROCEDURE FOR LOCAL OPTION ELECTIONS. (a) The local governing body of a municipality, whenever a number of registered voters equal to at least 35 percent of the number of votes cast at the last regular municipal election petition the local governing body to do so, shall place upon a separate ballot at the next regular election or at a special election the question set out in AS 05.15.197 that is the subject of the petition. The local governing body shall conduct the election in accordance with the election ordinance of the municipality.

(b) The lieutenant governor, whenever 35 percent of the registered voters residing within an established village petition the lieutenant governor to do so, shall place upon a separate ballot at a special election the question set out in AS 05.15.197 that is the subject of the petition. The lieutenant governor shall conduct the election in the manner prescribed by AS 15 (Alaska Election Code).

(c) Notwithstanding any other provisions of law, an election under (a) or (b) of this section to remove a restriction on the sale of pull-tabs and the operation of pull-tab games imposed under AS 05.15.197 may not be conducted more than once every 12 months.

(d) AS 29.26.110 - 29.26.160 apply to a petition under (a) of this section in a general law municipality except the

(1) number of required signatures is determined under (a) of this section rather than under AS 29.26.130;

(2) application filed under AS 29.26.110 must contain the question set out under AS 05.15.197 rather than containing an ordinance or resolution;

(3) petition must contain the question set out under AS 05.15.197 rather than material required under AS 29.26.120(a)(1) and (2)."

Page 14, following line 21:

Insert a new paragraph to read:

"(36) "established village" means an unincorporated community that
is in

(A) the unorganized borough and that has 25 or more
permanent residents; or

(B) an organized borough, has 25 or more permanent residents;
and

(i) is on a road system and is located more than 50
miles outside the boundary limits of a unified municipality; or

(ii) is not on a road system and is located more than 15
miles outside the boundary limits of a unified municipality;"

Renumber the following paragraphs accordingly.

Page 14, following line 24:

Insert a new paragraph to read:

"(38) "governing body" has the meaning given in AS 29.71.800."

Renumber the following paragraphs accordingly.

A M E N D M E N T

#3

OFFERED IN THE HOUSE

TO: CSSB 76(FIN)

Page 3, line 5, following "statutes":

Insert "providing communities with the authority by local option election to prohibit charitable gaming within the community;"

Page 13, line 24:

Delete "a new section"

Insert "new sections"

Page 14, following line 11:

Insert new sections to read:

"Sec. 05.15.197. PROHIBITION OF CHARITABLE GAMING. (a) The following question, appearing alone, may be placed before the voters of a municipality or an established village in accordance with AS 05.15.198: "Shall charitable gaming in (name of municipality or village) be prohibited? (yes or no)".

(b) If a majority of the voters vote "yes" on the question set out in (a) of this section, the department shall be notified immediately after certification of the results of the election and thereafter the department may not issue a license, permit, or vendor registration authorizing charitable gaming within the boundaries of a municipality and in unincorporated areas within five miles of the boundaries of the municipality or within the perimeter of an established village. Existing licenses, permits, and vendor registrations for charitable gaming within the boundaries of a municipality and in unincorporated areas within five miles of the boundaries of the municipality or within the perimeter of an established village that has prohibited charitable gaming by local option election held under this section are void 90 days after the results of the election are certified. A license or vendor registration that will

expire during the 90 days after the results of a local option election under this section are certified is void as of the expiration date.

Sec. 05.15.198. PROCEDURE FOR LOCAL OPTION ELECTIONS. (a) The local governing body of a municipality, whenever a number of registered voters equal to at least 35 percent of the number of votes cast at the last regular municipal election petition the local governing body to do so, shall place upon a separate ballot at the next regular election or at a special election the question set out in AS 05.15.197 that is the subject of the petition. The local governing body shall conduct the election in accordance with the election ordinance of the municipality.

(b) The lieutenant governor, whenever 35 percent of the registered voters residing within an established village petition the lieutenant governor to do so, shall place upon a separate ballot at a special election the question set out in AS 05.15.197 that is the subject of the petition. The lieutenant governor shall conduct the election in the manner prescribed by AS 15 (Alaska Election Code).

(c) Notwithstanding any other provisions of law, an election under (a) or (b) of this section to remove a restriction on charitable gaming imposed under AS 05.15.197 may not be conducted more than once every 12 months.

(d) AS 29.26.110 - 29.26.160 apply to a petition under (a) of this section in a general law municipality except the

(1) number of required signatures is determined under (a) of this section rather than under AS 29.26.130;

(2) application filed under AS 29.26.110 must contain the question set out under AS 05.15.197 rather than containing an ordinance or resolution;

(3) petition must contain the question set out under AS 05.15.197 rather than material required under AS 29.26.120(a)(1) and (2)."

Page 14, following line 21:

Insert a new paragraph to read:

"(36) "established village" means an unincorporated community that is in

(A) the unorganized borough and that has 25 or more permanent residents; or

(B) an organized borough, has 25 or more permanent residents;

and

(i) is on a road system and is located more than 50 miles outside the boundary limits of a unified municipality; or

(ii) is not on a road system and is located more than 15 miles outside the boundary limits of a unified municipality;"

Renumber the following paragraphs accordingly.

Page 14, following line 24:

Insert a new paragraph to read:

"(38) "governing body" has the meaning given in AS 29.71.800."

Renumber the following paragraphs accordingly.

AMENDMENT

OFFERED IN THE HOUSE

TO: CS for Senate Bill No. 76 (FIN)

Page 1, Line 1 Delete all material through line 6, page 3 and insert:
"Anti-Gambling Statute"

Page 3, Line 8 through Line 27, Page 15, delete all material and
insert:

"All gambling of any form in which prizes, money, indentured
servitude, or other form of remuneration if involved, is forbidden
within the State of Alaska.

A M E N D M E N T

#21

OFFERED IN THE HOUSE
TO: CSSB 76(FIN)

Page 1, line 5, following "store license":

Delete all material.

Insert ";

Page 2, line 24, following "registration;":

Insert "prohibiting charitable gaming from occurring at any place with an alcoholic beverage license or permit except for a place holding a package store license;"

Page 13, line 24:

Delete "a new section"

Insert "new sections"

Page 14, following line 11:

Insert a new section to read:

"Sec. 05.15.197. CHARITABLE GAMING PROHIBITED AT CERTAIN PLACES WITH AN ALCOHOLIC BEVERAGE LICENSE OR PERMIT. Notwithstanding any other provision of law, a charitable gaming activity may not be conducted at a place with an alcoholic beverage license or permit except for a place holding a package store license."

Page 15, lines 14 - 23:

Delete all material.

Page 15, line 24:

Delete "(ii)"

AMENDMENT

45

OFFERED IN THE HOUSE

TO: CSSB 76(FIN)

Page 3, lines 3 - 4:

Delete "charitable gaming activity"

Insert "bingo or pull-tab game"

Page 9, line 21:

Delete "the charitable gaming activity"

Insert "a bingo or pull-tab game"

A M E N D M E N T

OFFERED IN THE HOUSE
TO: HCS CSSB 149(L&C)

Page 24, after line 27:

Insert a new subsection to read:

"(d) Notwithstanding any other provision of law, a state bank may not purchase, establish, or operate a subsidiary that engages in the business of insurance or real estate brokerage. However, a subsidiary that is owned or operated by a state bank and that engages in the business of title insurance on or before January 1, 1993 as a subsidiary of that bank may continue to engage in that business as a subsidiary of that bank after January 1, 1993."

6-1

BILL'S of alaska

April 23, 1993

Representative Brian Porter, Chairman
House Judiciary Committee
Alaska House of Representatives
State Capital
Juneau, Ak 99801-1182

Dear Representative Porter 3834
VIA Fax 465-3837

Once again, I'm pleased that SB-76 has been scheduled for hearing before the Judiciary and Finance Committees. I urge that the bill be given "DO PASS" and be brought to the floor for a vote.

I fear that the any further fine-tuning may delay the bill's opportunity to be voted upon by the entire house. I steadfastly believe that the bill as written, is in acceptable form to every legitimate permittee, distributor, and operator...and regulators in the Department of Commerce and Economic Development.

As you are aware, some industry members are attempting to defeat this needed reform bill and are bringing influence personally in Juneau today. They're using GAMING MONEY to finance it!

These same people were responsible for the shabby statutes that Charitable Gaming has operated under since 1988. As you may recall, the "Gaming Reform Act of 1988" was written by the sleaziest elements in this industry with Representative Dave Donley's considerable assistance.

Why, for instance, is there NO RINGO ACCOUNTABILITY in current statutes?

Why, for instance, is it possible for a "gaming industry group" to hold a gaming permit, raise \$75,000, and spend it on a high-priced lobbyist and radio ads to defeat needed reform?

You have a strong sense of right vs: wrong and fair play. I urge you to do the right thing on behalf of legitimate charities and non-profits and make the first meaningful change to gaming law in 5 years. At the same time, legitimate businesses that supply the permittees with product welcome the added accountability and integrity this bill provides.

Most operators don't like this bill because it stops legal thievery and extortion at the expense of the non-profits whom the law intended to be the beneficiary.

Legitimate gaming interests are "the little people" and they can't afford the kind of political pressure that you are being subjected to today. I URGE THAT YOU REJECT THAT PRESSURE and support needed reform.....its the right thing to do



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Juneau, AK 99801-1182
(907) 465-4993
Fax (907) 465-3872

Senator Drue Pearce District F

Sponsor Statement for CS for Senate Bill 76 (Fin)

The Gambling Limitation Act of 1993

There are many rumors about this legislation. While this bill may seem long and complex, it is really very simple. It does two main things. It increases the amount of money going to charitable nonprofits and it prevents the criminal element from gaining a foothold in our state gaming industry. It does this without increasing gambling in Alaska.

This bill restricts the ways profits derived from gaming may be used. Rather than allowing the current diversion of gaming profits to the political campaigns of politicians, this bill benefits charities by increasing their guaranteed percentage of return from gaming activities. It permissively allows charities alternatives to placing their permits with "for profit" operators. The bill does shift the flow of money in favor of the charities. It gives nonprofits additional avenues by which to generate money using their permits while restricting the activities of "for profit" operators.

The bill I originally introduced:

- 1) Prevents criminal elements from gaining a foothold in Alaskan gaming by denying some felons access and controlling the access of others. If an individual has been convicted of a crime that was a class A felony, unclassified felony, or a crime involving theft, dishonesty, or gambling laws within the state of Alaska, or any other jurisdiction, than this individual would be prohibited for life from involvement with gaming in any supervisory or managerial capacity. This bill also allows the department some discretion for people convicted of lessor crimes after 10 years have passed.
- 2) Disallows the use of bingo or pull-tab net proceeds for direct political contributions to candidates. All nonprofits, including political parties and labor organizations, would still be allowed to hold permits and use their proceeds for administrative expenses or other uses. They could also still use raffles and other permitted games to earn money which could then be used for direct contributions to candidates.

- 3) The Finance CS adds:
- a) A prohibition against using net proceeds to directly or indirectly pay registered lobbyists for any reason.
 - b) Third party vendor language. This language permissively allows charitable organizations direct profitable alternatives to placing their permits with "for profit" operators. Permittees who operate their own permits often double their net proceeds. The bill allows permittees to contract with vendors to sell pull-tabs for the permittee. Vendors would be required to pay permittees 50% of the ideal net proceeds to the permittee when the pull-tabs are delivered to the vendor. Vendors are limited to those facilities that possess a package store license or a beverage dispensary license granted by the ABC board. Those facilities possessing the beverage dispensary license and granted a restaurant designation by the ABC board would be restricted to selling pull-tabs only in those areas off limits to minors.
 - c) Multiple beneficiary permit language. This language allows the Department to issue permits authorizing 2 to 6 permittees to jointly operate their permits. This benefits permittees who band together by allowing them to hire a management team to run their games that is answerable only to them. They would have direct hire and dismissal authority. Currently there are more permittees seeking to place their permits with operators than there are operators to run them. While most operators run honest businesses, there are those that do extort concessions beyond what most people would consider ethical.
 - d) A requirement for the Department of Commerce to approve contracts between operators and permittees.
 - e) Language that allows the Department to revoke a permit, license, or vendor registration upon proof that insider information was given or acted upon.
 - f) A requirement that the Department license out-of-state manufacturers of pull tabs.
 - g) A requirement that operators increase the return of net proceeds from pull-tabs to charities from 15% to 30%. The return on other gaming activities is increased from 0% to 10%.

Under existing law pull-tabs can be sold in bars and liquor stores, but current statute does not provide clear guidelines for direct third party relationships between permittees and these facilities. The third party provisions contained in this bill

provide for a reasonable licensing scheme for activities that are already occurring. Compliance within existing statute is currently difficult to regulate. This bill provides the department with the needed tools it needs to effectively regulate these third party activities.

601 organizations were issued 1,320 permits for pull-tabs. Of those 1320 permits to sell pull-tabs, 537 of them were issued to establishments which sell alcohol. Some establishments sell pull-tabs for numerous different organizations, thus one of these establishments could have several permits. Vendors are being defined to those establishments that are already able to sell or are already selling pull-tabs. All bars and package liquor stores in Alaska can currently sell pull-tabs, but many do not. Under this bill all bars and package liquor stores in Alaska can sell pull-tabs, but many will choose not to.

This bill does not expand gambling in Alaska. This bill does not put genuine charitable organizations out of business. It does not set unrealistic minimum returns to charities. It does not eliminate nonprofit charities from holding permits. Rather, it increases by 100% guaranteed pull tab receipts to charities. Every nonprofit now eligible stays eligible. And, they will be allowed to retain even greater proceeds if they become direct operators by placing their permit with a third party vendor.

CS FOR SENATE BILL NO. 76(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR PEARCE

A BILL

FOR AN ACT ENTITLED

1 "An Act requiring regulations relating to pull-tabs to be consistent with North
2 American Gaming Regulators Association standards on pull-tabs to the extent
3 permitted by charitable gaming laws; allowing permittees to contract with vendors
4 to sell pull-tabs on behalf of the permittee at an establishment holding a package
5 store license and certain establishments holding a beverage dispensary license;
6 allowing municipalities to prohibit vendors from conducting gaming activities within
7 the municipality; restricting the purchase of pull-tabs by permittees, licensees, and
8 vendors and their owners, managers, and employees; requiring receipts before
9 prizes of \$50 or more may be awarded in pull-tab games; prohibiting distributors
10 from supplying pull-tabs to vendors; requiring the registration of vendors and
11 regulating activities involving them; requiring the licensing of out-of-state pull-tab
12 manufacturers; requiring the department regulating charitable gaming to approve

1 contracts between permittees and operators before gaming may occur; preventing
2 persons with felony convictions or convictions for crimes involving theft or
3 dishonesty or a violation of gambling laws from being involved in charitable
4 gaming activities as a permittee, licensee, vendor, person responsible for the
5 operation of an activity, fund raiser or consultant of a licensee or vendor, or
6 employee in a managerial or supervisory capacity, and providing exceptions for
7 certain persons whose convictions are at least 10 years old and are not for
8 violation of an unclassified felony described in AS 11, a class A felony, or
9 extortion; relating to multiple-beneficiary charitable gaming permits and door
10 prizes for charitable gaming; requiring operators to pay permittees each quarter
11 at least 30 percent of the adjusted gross income from a pull-tab activity and
12 limiting operators to expenses of not more than 70 percent of the adjusted gross
13 income from that activity; requiring operators to pay permittees each quarter at
14 least 10 percent of the adjusted gross income from a charitable gaming activity
15 other than pull-tabs and limiting operators to expenses of not more than 90
16 percent of the adjusted gross income from that activity; requiring a permittee
17 who uses a pull-tab vendor to enter into a contract with that vendor; requiring
18 a vendor contracting with a permittee to pay the permittee at least 50 percent
19 of the ideal net for each pull-tab series delivered to the vendor by the permittee;
20 requiring that operators report an adjusted gross income of at least 15 percent
21 of gross income each quarter; allowing the commissioner regulating charitable
22 gaming to issue orders prohibiting violations of state gaming laws; relating to the
23 authority of the commissioner regulating charitable gaming to suspend or revoke
24 a permit, license, or registration; prohibiting the direct contribution of proceeds

1 of a bingo or pull-tab game to a candidate for a public office of the state or
2 a political subdivision of the state or to that candidate's campaign organization;
3 prohibiting the payment of any portion of the net proceeds of a charitable
4 gaming activity to a registered lobbyist; relating to 'political uses' and 'political
5 organizations' as those terms are used in the charitable gaming statutes; and
6 providing for an effective date."

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

8 * Section 1. This Act may be known as the Gambling Limitation Act of 1993.

9 * Sec. 2. AS 05.15.060 is amended to read:

10 Sec. 05.15.060. REGULATIONS. The department shall adopt regulations
11 under the Administrative Procedure Act (AS 44.62) necessary to carry out this chapter
12 covering, but not limited to,

13 (1) the issuance, renewal, and revocation of permits, [AND] licenses,
14 and vendor registrations;

15 (2) a method of ascertaining net proceeds, the determination of items
16 of expense that may be incurred or paid, and the limitation of the amount of the items
17 of expense to prevent the proceeds from the activity permitted from being diverted to
18 noncharitable, noneducational, nonreligious, or profit-making organizations, individuals,
19 or groups;

20 (3) the immediate revocation of permits, [AND] licenses, and vendor
21 registrations authorized under this chapter if this chapter or regulations adopted under
22 it are violated;

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

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

28 (6) [EXCLUSION FROM PARTICIPATION AS A PERMITTEE,
29 LICENSEE, OR EMPLOYEE OF A PERMITTEE OR LICENSEE, OF A PERSON

1 CONVICTED OF, IN PRISON FOR, OR ON PAROLE FOR A FELONY WITHIN
2 THE PRECEDING FIVE YEARS, OR CONVICTED OF A CRIME INVOLVING
3 THEFT OR DISHONESTY OR OF A VIOLATION OF A MUNICIPAL, STATE, OR
4 FEDERAL GAMBLING LAW;

5 (7)] the method and manner of conducting authorized activities and
6 awarding of prizes or awards, and the equipment that may be used;

7 (7) [(8)] the number of activities that may be held, operated, or
8 conducted under a permit during a specified period; however, the department may not
9 allow more than 14 bingo sessions a month and 35 bingo games a session to be
10 conducted under a permit; the holders of a multiple-beneficiary permit under
11 AS 05.15.100(d) may hold, operate, or conduct the number of sessions and games
12 a month equal to the number allowed an individual permittee per month
13 multiplied by the number of holders of the multiple-beneficiary permit;

14 (8) [(9)] a method of accounting for receipts and disbursements by
15 operators, including the keeping of records and requirements for the deposit of all
16 receipts in a bank;

17 (9) [(10)] the disposition of funds in possession of a permittee, [OR]
18 a person, municipality, or qualified organization that possesses an operator's license,
19 or a registered vendor at the time a permit, [OR] a license, or a vendor registration
20 is surrendered, revoked, or invalidated;

21 (10) [(11)] restrictions on the participation by employees of the
22 Department of Fish and Game in salmon classics; and in king salmon classics, and by
23 employees of Douglas Island Pink and Chum in king salmon classics;

24 (11) [(12)] other matters the commissioner considers necessary to carry
25 out this chapter or protect the best interest of the public.

26 * Sec. 3. AS 05.15.060 is amended by adding a new subsection to read:

27 (b) Regulations adopted by the department under this section relating to
28 charitable gaming activity involving pull-tabs shall, to the extent permitted by this
29 chapter, be consistent with the standards on pull-tabs of the North American Gaming
30 Regulators Association, as amended from time to time.

31 * Sec. 4. AS 05.15.070 is amended to read:

1 Sec. 05.15.070. EXAMINATION OF BOOKS AND RECORDS. The
2 commissioner may examine or have examined the books and records of a permittee,
3 an operator, a registered vendor, or a person licensed to manufacture or to distribute
4 pull-tab games in the state. The commissioner may issue subpoenas for the attendance
5 of witnesses and the production of books, records, and other documents.

6 * Sec. 5. AS 05.15.100 is amended by adding a new subsection to read:

7 (d) The commissioner may issue a multiple-beneficiary permit to two to six
8 municipalities or qualified organizations or to a combination of two to six
9 municipalities and qualified organizations that apply jointly for the permit. The permit
10 gives the permit holders the privilege of jointly conducting the activities specified in
11 (a) and (b) of this section, subject to the restrictions set out in (b) of this section.

12 * Sec. 6. AS 05.15 is amended by adding a new section to read:

13 Sec. 05.15.105. PERSONS PROHIBITED FROM INVOLVEMENT;
14 EXCEPTIONS. (a) If a person has been convicted of a violation of a law of this state
15 that is, or a law or ordinance of another jurisdiction that would be if it had been
16 committed in this state, a felony, or a violation of a law or ordinance of this state or
17 another jurisdiction that is a crime involving theft or dishonesty or a violation of
18 gambling laws

19 (1) the department may not issue a license to the person;

20 (2) the department may not issue a license to, or register as a vendor,
21 an applicant who employs the person in a managerial or supervisory capacity or uses
22 the person as a fund raiser or consultant;

23 (3) the department may not issue a permit for an activity if the person
24 is responsible for the operation of the activity;

25 (4) the person may not be employed in a managerial or supervisory
26 capacity by a licensee or vendor or used as a fund raiser or consultant by a licensee
27 or vendor;

28 (5) the person may not participate in charitable gaming as a permittee,
29 licensee, or vendor.

30 (b) The department shall adopt regulations that provide that a disqualification
31 of a person under (a) of this section based upon a conviction of that person for a

1 violation

2 (1) of a law of this state that is, or a law or ordinance of another
3 jurisdiction that would be if it was committed in this state, a class B felony other than
4 extortion, a class C felony, or an unclassified felony described outside of AS 11, and
5 that is not a crime of dishonesty or theft or a violation of gambling laws, terminates
6 10 years after the person's conviction;

7 (2) of a law or ordinance of this state or another jurisdiction that is a
8 crime involving theft or dishonesty or a violation of gambling laws, and that is not,
9 or would not be if it was committed in this state, an unclassified felony described in
10 AS 11, a class A felony, or extortion, terminates 10 years after the person's conviction,
11 if the department determines that the

12 (A) person is of good character, honesty, and integrity; and

13 (B) person's involvement in charitable gaming is not against the
14 public interest.

15 * Sec. 7. AS 05.15.112(a) is amended to read:

16 (a) Each municipality or qualified organization that receives a permit under
17 this chapter shall designate a member in charge. Municipalities and qualified
18 organizations that hold a multiple-beneficiary permit shall jointly designate one
19 member in charge.

20 * Sec. 8. AS 05.15.112(b) is amended to read:

21 (b) The member in charge is responsible for preparation, maintenance, and
22 transmittal of all records and reports required of the permittee. The member in charge
23 shall be a member of the qualified organization or the board of directors of the
24 qualified organization or an employee of the municipality. In the case of a multiple-
25 beneficiary permit, the member in charge shall be a member of one of the
26 qualified organizations or the board of directors of one of the qualified
27 organizations or an employee of one of the municipalities.

28 * Sec. 9. AS 05.15.112(d) is amended to read:

29 (d) The municipality or qualified organization, or the holders of a multiple-
30 beneficiary permit, shall designate alternate members in charge who are responsible
31 for the duties of the member in charge in the absence of the member in charge.

1 * Sec. 10. AS 05.15.115(d) is amended to read:

2 (d) A permittee shall submit by certified mail to the department for approval
3 a copy of each contract with an operator with whom the permittee contracts to conduct
4 activities subject to this chapter. The contract must meet the requirements of this
5 section. The department shall approve or disapprove the contract. If the
6 contract is disapproved, reasons for the disapproval shall be provided in writing
7 to the permittee. Activities may not be conducted under the contract before the
8 contract is approved. Subsequent amendments to an approved contract do not
9 take effect until the amendments are approved by the department [THE
10 PERMITTEE SHALL SUBMIT TO THE DEPARTMENT A COPY OF THE
11 CONTRACT OR SUBSEQUENT AMENDMENT OF THE CONTRACT BY
12 CERTIFIED MAIL AT LEAST 15 DAYS BEFORE ACTIVITIES ARE
13 CONDUCTED UNDER THE CONTRACT OR AMENDED CONTRACT].

14 * Sec. 11. AS 05.15.124 is amended to read:

15 Sec. 05.15.124. MUNICIPAL REGULATION OF OPERATORS. A
16 municipality may by ordinance prohibit an operator or a vendor from conducting
17 activities under this chapter within the municipality.

18 * Sec. 12. AS 05.15.128(a) is amended to read:

19 (a) The department shall revoke the license of an operator who does not
20 (1) report an adjusted gross income of at least 15 percent of gross
21 income for each quarter [TWO CONSECUTIVE QUARTERS] based on the total
22 operation of the operator; or
23 (2) pay to each authorizing permittee for each quarter [TWO
24 CONSECUTIVE QUARTERS] at least 30 percent of the adjusted gross income, as
25 determined under (1) of this subsection, from a pull-tab activity or at least 10 [15]
26 percent of the adjusted gross income, as determined under (1) of this subsection, from
27 a gaming activity other than pull-tabs, received from activities conducted on behalf
28 of the authorizing permittee.

29 * Sec. 13. AS 05.15.140(b) is amended to read:

30 (b) In an application for a permit, a municipality or qualified organization shall
31 disclose the name and address of each person responsible for the operation of the

1 activity and whether any person named

2 (1) has been convicted of [~~, IN PRISON FOR, OR ON PAROLE FOR~~]
3 a violation of a law of this state that is, or a law or ordinance of another state that
4 would be if committed in this state, an unclassified felony described in AS 11, a
5 Class A felony, extortion, or a violation of a law or ordinance of this state or
6 another jurisdiction that is [WITHIN THE PRECEDING FIVE YEARS, OR
7 CONVICTED OF] a crime involving theft or dishonesty or [OF] a violation of [A
8 MUNICIPAL, STATE, OR FEDERAL] gambling laws [LAW]; or

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

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

12 Sec. 05.15.145. MULTIPLE-BENEFICIARY PERMITS. (a) Two to six
13 municipalities or qualified organizations, or a combination of two to six municipalities
14 and qualified organizations, may jointly apply for a multiple-beneficiary permit under
15 AS 05.15.100(d). The commissioner may not issue or renew a permit except upon
16 satisfactory proof that each joint applicant is a municipality or qualified organization,
17 the activity may be permitted under this chapter, and the issuance of a permit is not
18 detrimental to the best interests of the public. Upon request of the commissioner, the
19 joint applicants shall prove conclusively each of these requirements before a permit
20 may be issued or renewed.

21 (b) The provisions of AS 05.15.140(b) - (d) apply to multiple-beneficiary
22 permits and applications for them.

23 (c) A municipality or qualified organization that is among the holders of a
24 multiple-beneficiary permit may withdraw from the permit by giving written notice of
25 intent to withdraw to the department and to the other holders of the permit. The
26 effective date of the withdrawal is 30 days after the department receives written notice
27 of intent. A municipality or qualified organization that withdraws from a multiple-
28 beneficiary permit may apply for a permit under AS 05.15.100(a), but its share of the
29 prizes awarded under the multiple-beneficiary permit and the prizes it awards under
30 its own permit are subject to the maximums established in AS 05.15.180(g).

31 (d) The holders of a multiple-beneficiary permit shall jointly file reports with

1 the department that comply with the reporting requirements imposed on operators
2 under AS 05.15.083.

3 * Sec. 15. AS 05.15.150(a) is amended to read:

4 (a) The authority to conduct the activity authorized by this chapter is
5 contingent upon the dedication of the net proceeds of the charitable gaming activity
6 [RAFFLES OR CONTESTS] to the awarding of prizes to contestants or participants
7 and to political, educational, civic, public, charitable, patriotic or religious uses in the
8 state. "Political, educational, civic, public, charitable, patriotic, or religious uses" means
9 uses benefiting persons either by bringing them under the influence of education or
10 religion or relieving them from disease, suffering, or constraint, or by assisting them
11 in establishing themselves in life, or by providing for the promotion of the welfare and
12 well-being of the membership of the organization within their own community, or
13 through aiding a political organization [CANDIDATES FOR PUBLIC OFFICE OR
14 GROUPS THAT SUPPORT CANDIDATES FOR PUBLIC OFFICE], or by erecting
15 or maintaining public buildings or works, or lessening the burden on government, but
16 does not include

17 (1) the direct contribution of proceeds of a bingo or pull-tab game
18 to a candidate for a public office of the state or a political subdivision of the state
19 or to that candidate's campaign organization:

20 (2) the payment of any portion directly or indirectly of the net
21 proceeds of the charitable gaming activity to a lobbyist registered under AS 24.45:
22 or

23 (3) the erection, acquisition, improvement, maintenance, or repair of
24 real, personal, or mixed property unless it is used exclusively for one or more of the
25 permitted uses [STATED].

26 * Sec. 16. AS 05.15.160 is amended by adding new subsections to read:

27 (c) The total amount of authorized expenses that may be incurred under (a) of
28 this section in connection with a pull-tab activity may not exceed 70 percent of the
29 adjusted gross income from that pull-tab activity.

30 (d) The total amount of authorized expenses that may be incurred under (a) of
31 this section in connection with any gaming activity other than pull-tabs may not exceed

1 90 percent of the adjusted gross income from that gaming activity.

2 * Sec. 17. AS 05.15.170 is repealed and reenacted to read:

3 Sec. 05.15.170. SUSPENSION OR REVOCATION OF PERMIT, LICENSE,
4 OR VENDOR REGISTRATION. (a) The department may suspend, for a period of
5 up to one year, or revoke a permit, license, or vendor registration, after giving notice
6 to and an opportunity to be heard by the permittee or licensee, if the permittee,
7 licensee, or vendor

8 (1) violates or fails to comply with a requirement of this chapter or of
9 a regulation adopted under this chapter;

10 (2) breaches a contractual agreement with a permittee, licensee, or
11 registered vendor;

12 (3) becomes disqualified to participate in charitable gaming as provided
13 in AS 05.15.105; for the purposes of this paragraph, a permittee, licensee, or vendor
14 that is not a natural person is considered convicted if an owner or manager of the
15 permittee, licensee, or vendor is convicted; or

16 (4) knowingly submits false information to the department or, in the
17 case of a registered vendor, to a permittee when the vendor knows that the false
18 information will be submitted to the department as part of an application for
19 registration;

20 (5) gives or acts upon any inside information on the status of the prizes
21 awarded or to be awarded in a pull-tab game.

22 (b) If the department revokes a license or vendor registration under this
23 section, it may prohibit the licensee or vendor from reapplying for a license or vendor
24 registration for a period of not more than five years. If the department revokes a
25 permit under this section, it may prohibit the permittee from reapplying for a permit
26 for a period of not more than one year.

27 * Sec. 18. AS 05.15.180(d) is amended to read:

28 (d) The total value of door prizes offered or awarded under authority of a
29 permit issued to a municipality or qualified organization under this chapter or under
30 authority of a multiple-beneficiary permit may not exceed \$20,000 a month or
31 \$240,000 a year.

1 * Sec. 19. AS 05.15.180(e) is amended to read:

2 (e) The total value of all door prizes offered or awarded at a single facility or
3 bingo hall or parlor by an operator on behalf of authorizing permittees [OR BY A
4 PERMITTEE IN CONJUNCTION WITH OTHER PERMITTEES] may not exceed
5 \$20,000 a month or \$240,000 a year.

6 * Sec. 20. AS 05.15.180(g) is amended to read:

7 (g) A municipality or a qualified organization may award a maximum of
8 \$1,000,000 in prizes each year in activities authorized under this chapter, however, if
9 a municipality or a qualified organization contracts with an operator to conduct on its
10 behalf activities authorized under this chapter, the municipality or qualified
11 organization may award a maximum of \$500,000 in prizes each year. The holders of
12 a multiple-beneficiary permit under AS 05.15.100(d) may award a maximum in
13 prizes each year of \$1,000,000 times the number of holders of the permit for
14 activities authorized under this chapter. In this subsection "activities authorized
15 under this chapter" means all activities subject to this chapter other than bingo.

16 * Sec. 21. AS 05.15.181(a) is amended to read:

17 (a) A person may not manufacture pull-tabs in the state, and may not sell or
18 distribute a pull-tab that the person has manufactured outside of the state to
19 persons in the state, unless the person has received a pull-tab manufacturer's license
20 issued by the department.

21 * Sec. 22. AS 05.15.183 is amended by adding a new subsection to read:

22 (e) A distributor may not

23 (1) take an order for the purchase of a pull-tab series from a vendor;

24 (2) sell a pull-tab series to a vendor; or

25 (3) deliver a pull-tab series to a vendor.

26 * Sec. 23. AS 05.15.187(f) is amended to read:

27 (f) Each permittee [MUNICIPALITY OR QUALIFIED ORGANIZATION]
28 that had gross receipts exceeding \$100,000 during the preceding year from activities
29 conducted under this chapter or that is required to report under AS 05.15.080(a), that
30 conducts a pull-tab game shall maintain records for two years of each prize of \$50 or
31 more, the first day and last day that each series was distributed, the serial number of

1 each series, and the distributor from whom each series was purchased. In this section
2 "permittee" includes municipalities and qualified organizations that jointly hold
3 a multiple-beneficiary permit.

4 * Sec. 24. AS 05.15.187 is amended by adding new subsections to read:

5 (h) An owner, manager, or employee of a person holding a permit or license
6 under this chapter, or registered under this chapter as a vendor, may not purchase a
7 pull-tab from a pull-tab series manufactured, distributed, or sold by the permittee,
8 licensee, or registered vendor.

9 (i) A permittee, operator, or registered vendor may not turn over a prize of \$50
10 or more to a person with a pull-tab card entitling the person to that prize unless the
11 person signs a receipt for the prize and returns the receipt to the permittee, operator,
12 or vendor. The receipt must be in a form approved by the department.

13 * Sec. 25. AS 05.15 is amended by adding a new section to article 2 to read:

14 Sec. 05.15.188. PULL TAB SALES BY VENDORS ON BEHALF OF
15 PERMITTEES; VENDOR REGISTRATION. (a) A permittee may contract with a
16 vendor to sell pull-tabs on behalf of the permittee, if the permittee first registers the
17 vendor with the department by applying for registration on a form prescribed by the
18 department and by submitting the registration fee of \$50 for each location at which the
19 vendor will sell pull-tabs.

20 (b) Upon approval of the vendor registration, the department shall issue an
21 endorsement to the permittee's permit that authorizes the conduct of pull-tab sales at
22 that vendor location.

23 (c) The endorsement issued under (b) of this section is an extension of the
24 permittee's privilege under AS 05.15.100 to conduct pull-tab sales in this state. A
25 vendor may not sell a pull-tab series until a copy of the permit containing the
26 endorsement for the new vendor location has been posted by the permittee in the
27 registered vendor establishment. The endorsed permit must be clearly visible to the
28 gaming public.

29 (d) A separate endorsement shall be issued for each vendor location. The
30 permittee shall inform the department when a vendor with whom the permittee is
31 contracting changes the physical location at which pull-tabs are sold, and shall return

1 to the department all copies of a permit endorsed to a vendor that is no longer selling
2 pull-tabs on behalf of the permittee. Failure to inform the department of a change in
3 vendor location, or to return the endorsed copies of a permit to the department after
4 a vendor change, may constitute grounds for the suspension or revocation of a
5 permittee's permit.

6 (e) At the time that a permittee annually renews its permit, it shall also renew
7 the registration of all locations where a vendor is selling pull-tabs on the permittee's
8 behalf and shall pay a registration fee of \$50 for each vendor location.

9 (f) A permittee that uses a vendor to sell pull-tabs on its behalf shall enter into
10 a written contract with that vendor. The department may inspect this contract. If the
11 contract contains provisions that violate this chapter or the regulations adopted under
12 it, the department may declare the contract void, and may suspend or revoke the
13 registration of the vendor and the permit of the permittee.

14 (g) A person, other than a permittee's member-in-charge, may not directly
15 supply a pull-tab series to a registered vendor for sale by that vendor on behalf of the
16 permittee.

17 (h) If a permittee contracts with a vendor under (a) of this section, the contract
18 must provide that the permittee shall receive no less than 50 percent of the ideal net.

19 (i) An amount equal to the ideal net less the compensation owed to the vendor
20 shall be paid by the vendor to the member-in-charge upon delivery of a pull-tab series
21 to the vendor for sale. The amount required to be paid by the vendor shall be paid by
22 check and the check may not be drawn in a manner that the payee is not identified.

23 (j) An operator may not contract with or use a vendor to sell pull-tabs.

24 * Sec. 26. AS 05.15 is amended by adding a new section to read:

25 Sec. 05.15.195. ORDER PROHIBITING ACTION IN VIOLATION OF
26 CHAPTER. (a) If the commissioner determines that a person has engaged in an act
27 or practice in violation of this chapter or a regulation adopted under this chapter, the
28 commissioner may, after giving reasonable notice to the person and an opportunity for
29 the person to be heard, issue an order prohibiting the violation by the person. The
30 order remains in effect until the person has submitted evidence acceptable to the
31 commissioner showing that the violation has been corrected.

1 (b) If the public interest requires, the commissioner may issue an emergency
2 order prohibiting an act or practice in violation of this chapter or a regulation adopted
3 under this chapter without notice to or an opportunity to be heard by the person
4 affected by the order. The commissioner shall immediately serve the person with a
5 copy of the emergency order. An emergency order expires 60 days after the date it
6 is issued, if the person affected by the order requests a hearing within 15 days of
7 receipt of the order. If the person does not request a hearing within 15 days of receipt
8 of the emergency order, the order becomes permanent. Following a hearing, the
9 commissioner may rescind, modify, or make permanent the emergency order.

10 (c) A party aggrieved by an order under this section may appeal to the superior
11 court.

12 * Sec. 27. AS 05.15.200(b) is amended to read:

13 (b) A person who, with the intent to mislead a public servant in the
14 performance of the public servant's duty, submits a false statement in an application
15 for a permit, license, or vendor registration under this chapter [,] is guilty of unsworn
16 falsification.

17 * Sec. 28. AS 05.15.210(27) is amended to read:

18 (27) "political organization" means a political party as defined in
19 AS 15.60.010 or an organization or club organized under or formally affiliated with
20 a political party [AS DEFINED IN AS 15.60.010];

21 * Sec. 29. AS 05.15.210 is amended by adding new paragraphs to read:

22 (36) "fund raiser or consultant" means a person who provides advice
23 or technical assistance in support of or concerning the conduct of gaming activities
24 under this chapter, whether the person is or is not an employee of a licensee;

25 (37) "ideal net" means an amount equal to the total amount of receipts
26 that would be received if every individual pull-tab ticket in a series were sold at face
27 value, less the prizes to be awarded for that series;

28 (38) "managerial or supervisory capacity" means that the employee

29 (A) is responsible for gaming receipts;

30 (B) has the authority to hire employees or to dismiss or
31 otherwise discipline them;

1 (C) prepares financial reports required under this chapter;
2 (D) is responsible for keeping the accounts for activities under
3 this chapter;

4 (E) is responsible for conducting activities under this chapter,
5 including the arranging for locations at which those activities will occur; or

6 (F) is a fund raiser or a consultant;

7 (39) "permittee" means a municipality or a qualified organization that
8 holds a valid permit under AS 05.15.100;

9 (40) "vendor" means a business whose primary activity is not regulated
10 by this chapter but that

11 (A) is engaged in the sale of pull-tabs on behalf of a permittee;

12 (B) holds a business license under AS 43.70; and

13 (C) is an establishment holding a

14 (i) beverage dispensary license under AS 04.11.090 that
15 has not been designated by the Alcoholic Beverage Control Board under
16 AS 04.16.049(a)(2) - (3), has not been exempted by the Department of
17 Labor under AS 04.16.049(c) and AS 23.10.355, and if the
18 establishment is a hotel, motel, resort, or similar business that caters to
19 the traveling public as a substantial part of its business, does not allow
20 the sale of pull-tabs in a dining room, banquet room, guest room, or
21 other public areas other than a room in which there is regularly
22 maintained a fixed counter or service bar at which alcoholic beverages
23 are sold or served to members of the public for consumption;

24 (ii) package store license under AS 04.11.150.

25 * Sec. 30. AS 05.15.122(c), 05.15.122(d), and 05.15.140(c) are repealed.

26 * Sec. 31. Except for secs. 12 and 16 of this Act, this Act takes effect immediately under
27 AS 01.10.070(c).

28 * Sec. 32. Sections 12 and 16 of this Act take effect January 1, 1994.

Gaming Bill Comparison

Provision	Senate Bill 76	CS for Senate Bill 76 (Fin)
Felony exclusions	Yes, prohibits from participating for life those individuals acting in a supervisory or managerial capacity who have been convicted of a felony, unclassified felony or a crime involving theft, dishonesty or a violation of gambling laws. It provides for some departmental discretion for some lessor felonies and misdemeanors after 10 years have passed.	Yes, same as in SB 76.
Campaign contributions	Yes, prohibits the use of net proceeds for direct campaign contributions. Parties could still retain their permits and use the proceeds to pay for uses other than political contributions, such as office expenses.	Yes, same as in SB 76.
Lobbyist fees	Not addressed in SB 76.	Yes, prohibits the use of net proceeds for any type of payment to registered lobbyists.
Third party vendors	Not addressed in SB 76.	Yes, allows permittees to contract directly with third party vendors to sell pull-tabs for them. The permittee receives a 50% return immediately upon giving the vendor the pull-tabs. Operators currently can give the permittee a return as low as 15%. Permittees are defined to be only those facilities that are licensed by the ABC board with a beverage dispensary license or a package store license. These are establishments that can sell hard liquor. Restaurants that have a beverage dispensary license would be restricted to selling pull-tabs in only those areas that exclude minors.

Multiple beneficiary permits	Not addressed in SB 76.	Yes, allows permittees to operate their permits without having to use the services of an operator. 2 to 6 permittees can band together to operate their permits jointly, using a management team that is answerable solely to the permittees. This allows economies of scale to benefit the permittees.
Departmental approval of contracts	Not addressed in SB 76.	Yes, requires the Department to approve contracts between operators and permittees.
Prohibit insider information	Not addressed in SB 76.	Yes, allows the Department to revoke, for a period of one year, the permit of an operator, vendor, or permittee upon proof that inside information about the game was given or acted upon.
Licensing out of State pull-tab manufacturers	Not addressed in SB 76.	Yes, mandates that pull-tab manufacturers must be licensed by the Department before they can sell pull-tabs within the state.
Percentage return to charities	Not addressed in SB 76.	Increases the return to charities to 30% for pull-tabs and 10% from all other operations. The return allowed under current law is 15% from total operations for two consecutive quarters.

- 1) The sale of pull-tab tickets from mechanical devices are prohibited in the Finance Committee Substitute.
- 2) Provisions to allow APRN to run a state wide game are in a separate bill, SB-200.

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

April 15, 1993

SUBJECT: Sectional Summary of CSSB 76, draft, dated 4/15/93 (Work Order No. 8-LS0279\Q)

TO: Senator Drue Pearce

FROM: Jerry Luckhaupt *JEL*
Legislative Counsel

You have requested a sectional summary of the above described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill - the bill itself is the best statement of its contents.

Section 1 of the bill provides a short title.

Sections 2, 4, 11, 22, 25, 27, and 29 of the bill deal with allowing permittees (charitable organizations) to contract with vendors, defined in sec. 28 of the bill, to sell pull-tabs for the permittee through an endorsement of the charitable organization's permit. Section 24 is the "meat" of this area of the bill.

Sections 2, 5, 7, 8, 9, 14, 18, 19, 20, and 23 deal with multiple-permittee charitable gaming. These sections permit up to six charitable organizations or municipalities to join together to provide charitable gaming. Sections 4 and 13 are the substantive portion of these sections.

Section 3 of the bill requires that the Department of Commerce and Economic Development's regulations meet the standards set by the North American Gaming Regulators Association.

Sections 6, 13, and 29 of the bill relate to what criminal convictions disable someone from working in charitable gaming. These sections also provide an exemption for people with certain convictions when those convictions are ten years old.

Section 10 of the bill requires Department of Commerce and Economic Development approval of contracts between operators and permittees.

Senator Drue Pearce
April 15, 1993
Page 2

Sections 12, 16, and 30 of the bill deal with increasing the percentage that operators must pay to permittees for a pull-tab activity from 15 percent to 40 percent of adjusted gross income and decreasing the percentage that must be paid for a nonpull-tab activity from 15 percent to 10 percent of adjusted gross income.

Sections 15 and 28 of the bill deal with what is a charitable use to which gaming proceeds may be put and what is a political organization.

Sections 17 and 26 of the bill deal with procedures for the revocation and regulation of licenses, permits, and registrations.

Section 21 of the bill requires the licensing of out-of-state manufacturers of pull-tabs.

Section 24 of the bill limits permittees, licensees, and vendors from purchasing their own pull-tabs and requires receipts for prizes of \$50 or more in pull-tab games.

Section 30 of the bill provides repealers.

Sections 31 and 32 of the bill are effective dates.

GPL:pl
93-304.plm

Rep. Brian Porter, Chairman

House Judiciary Committee

Date: April 23, 1993
Place: Capitol Room 120

SB 173 Group Health Insurance for Small Employers
SCR 4 Request Change in Rule 82 Fees

Subject of Meeting: SB 76 Charitable Gaming
Restrictions; SB 149 Revision of Banking Code

Please Print Name	Representing	Business/Personal Mailing Address	Zip	(H) Phone	(W) Phone	Do you Want to Testify?	Which Subject/ Which Bill?
JAMIE PARSONS	AK STATE CHAMBER	217 - 2ND # 201	99801	7894201	586 2323	(Y) N	173
Jay Frank	State Farm Allstate	431 N. Franklin	99801		6-5777	(Y) N	SB 173
Ken Erickson	Sponsor @ Sen Pearce	Room 508 Cap	99801	4993		(Y) N	to answer question if need
Gordon Evans	HIAA	318 4th St, Juneau	99801	586-3210		IF NEEDED (Y) N	SB 173
Alan J. J. J.	NFIB	9159 Skywood	99801		9-4278	(Y) N	If Needed SB 173
Willis Kirkpatrick	DCED	Division of Banking			2521	(Y) N	SB 149
John Hansen	DCED	Gaming			2581	Y N	IF Needed SB-76
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

Rep. Brian Porter, Chairman

House Judiciary Committee

Date: April 23, 1993

Place: Capitol Room 120

SB 173 Group Health Insurance for Small Employers
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Please Print Name	Representing	Business/Personal Mailing Address	Zip	(H) Phone	(W) Phone	Do you Want to Testify?	Which Subject/ Which Bill?
✓ Chip Thoma	self	#2 Maine Way	99701			<input checked="" type="radio"/> Y <input type="radio"/> N	SB 76
✓ David Fuhr	DCE D				5-2500	<input checked="" type="radio"/> Y <input type="radio"/> N	SB 76
Ken Erickson	Sponsor @ Sen Pearce	Rm 508 Cap	99801		4993	<input checked="" type="radio"/> Y <input type="radio"/> N	to answer questions if need.
John Hansen	DCE D	BOX D				IF QUESTIONS <input type="radio"/> Y <input type="radio"/> N	SB-76
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	

FISCAL NOTE

No. 2

STATE OF ALASKA 1993 LEGISLATIVE SESSION

Bill Version: CSSB 76 (Jud)

(S) Publish Date: 4-3-93

Revision Date: _____ Dept. Affected: Commerce & Economic Development
 Title: An Act relating to Games of Chance BRU: Occupational Licensing
 and Skill... _____ Component: Operations
 Sponsor: Senator Pearce
 Requestor: Senate Finance COMPONENT SERIAL NO. 1844

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	.0	.0	.0	.0	.0	.0

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

REVENUE FUND SOURCE:	5.0	5.0	5.0	5.0	5.0	5.0
----------------------	-----	-----	-----	-----	-----	-----

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	.0	.0	.0	.0	.0	.0

Changes in CSSB 76 (FIN)
 have no fiscal impact. This
 fiscal note is appropriate.
4/17/93 Nun
 date Comte Aide (initial)

POSITIONS:

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

Estimate of current year (FY 93) Impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

CSSB 76(JUD) provides for licensing of out-of-state pull-tab manufacturers, 10 each at \$500 per annual license.

Prepared by: John Hansen, Gaming Program Manager
 Division: Occupational Licensing
 Approved by Commissioner: Paul Fuhs
 Agency: Commerce & Economic Development

Phone: 465-2581
 Date: 4/2/93
 Date: 4-2-93

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F I S C A L N O T E

Bill Version: CSSB 76(FIN)

(S) Publish Date: 4-18-93

REQUEST:

Revision Date: 4/16/93 Affected Agency: Dept. of Revenue
 Title: Act Relating to BRU: Gaming Div.
Charitable Gaming
 Sponsor: Sen. Pearce Components: _____
 Requester: Senate Finance Committee

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
Personal Services	77.4	77.4	77.4	77.4	77.4	77.4
Travel	3.0	3.0	3.0	3.0	3.0	3.0
Contractual						
Equipment	6.0					
Supplies	0.5					
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	86.9	80.4	80.4	80.4	80.4	80.4

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

REVENUE	100.0	100.0	100.0	100.0	100.0	100.0
---------	-------	-------	-------	-------	-------	-------

FUNDING: (THOUSANDS OF DOLLARS)

General Fund P.R.	86.9	80.4	80.4	80.4	80.4	80.4
Federal Fund						
Other						
TOTAL	86.9	80.4	80.4	80.4	80.4	80.4

POSITIONS:

Full-Time	1	1	1	1	1	1
Part-Time						
Temporary						

Estimate of FY 93 Impact 0.0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Personal Services, 1 each, Revenue Auditor IV. One-time cost equipment for computer, desk, etc. Revenue increase from auditing of tax returns.

Prepared By: [Signature]
 Division: John Hansen, Gaming Division

Date: _____
 Phone: 465-2581

Approved by: [Signature]
 Agency: Paul Fuhs, Commissioner
Dept. of Commerce & Economic Development

Date: 4-17-93

HOUSE COMMITTEE REPORT

(7) Date Referred: April 22, 1993 FURTHER REFERRALS: Finance

Date of Committee Action: 4-23-93

The JUDICIARY Committee considered: CSSB 76(FIN)

CS FOR SENATE BILL NO. 76(FIN) CHARITABLE GAMING RESTRICTIONS

"An Act requiring regulations relating to pull-tabs to be consistent with North American Gaming Regulators Association standards on pull-tabs to the extent permitted by charitable gaming laws; allowing permittees to contract with vendors to sell pull-tabs on behalf of the permittee at an establishment holding a package store

****TITLE CONT. ON PAGE 2****

RECOMMENDATIONS: [] the same title
 be replaced with _____ [] a new title

- [] have attached amendments(s)
- [] do pass
- [] do not pass
- [X] no recommendations
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) 4/3/93
 [] fiscal impact _____ 2 [X] fiscal note(s) DCEP 4/18/93
 [] zero fiscal note _____ [] zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Brian Porter</i>	✓	<i>[Signature]</i>		✓	
<i>Gail Phillips</i>	✓	<i>[Signature]</i>		✓	
		<i>Bonnie James</i>		✓	
		<i>[Signature]</i>			✓

Brian S. Porter

 CHAIRMAN'S SIGNATURE

Rep. Brian Porter, Chairman

SB 173 Group Health Insurance for Small Employers
SCR 4 Request Change in Rule 82 Fees

House Judiciary Committee

Date: April 23, 1993
Place: Capitol Room 120

Subject of Meeting: SB 76 Charitable Gaming
Restrictions; SB 149 Revision of Banking Code

Please Print Name	Representing	Business/Personal Mailing Address	Zip	(H) Phone	(W) Phone	Do you Want to Testify?	Which Subject/ Which Bill?
X JAMIE PARSONS	AK STATE CHAMBER	217 - 2ND # 201	99801	7899201	586 2323	(Y) N	173
X Jay Frank	State Farm Allstate	431 N. Franklin	99801		6-5777	(Y) N	SB 173
Ken Erickson	Sponsor @ Sen Pearce	Room 508 Cap	99801	4993		(Y) N	to answer questions if needed
Gordon Evans	HIAA	318 4th St, Juneau	99801	586-3210		IF NEEDED (Y) N	SB 173
Rosa Jensen	NFIB	9159 Skywood	99801		9-4278	(Y) N	If Needed SB 173
Willis Kirkpatrick	DCED	Division of Banking			2521	(Y) N	SB 149
John Hansen	DCED	Gaming			2581	Y N	IF Needed SB-76
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

Rep. Brian Porter, Chairman

House Judiciary Committee

Date: April 23, 1993
Place: Capitol Room 120

SB 173 Group Health Insurance for Small Employers
 SCR 4 Request Change in Rule 82 Fees

Subject of Meeting: SB 76 Charitable Gaming
 Restrictions; SB 149 Revision of Banking Code

Please Print Name	Representing	Business/Personal Mailing Address	Zip	(H) Phone	(W) Phone	Do you Want to Testify?	Which Subject/ Which Bill?
✓ Chip Thoma	self	# 2 Maine Way	99401			<input checked="" type="radio"/> Y <input type="radio"/> N	SB 76
✓ David Fisher	DCE D				5-2500	<input checked="" type="radio"/> Y <input type="radio"/> N	SB 76
Ken Erickson	Sponsor @ Sen Pearce	Rm 508 Cap	99801		4993	<input checked="" type="radio"/> Y <input type="radio"/> N	to answer questions if needed
John Hansen	DCE D	BOX 1				IF questions <input type="radio"/> Y <input type="radio"/> N	SB-76
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	

HOUSE COMMITTEE REPORT

(7)

Date Referred: April 22, 1993

FURTHER REFERRALS:

Finance

Date of Committee Action: 4-23-93

The JUDICIARY Committee considered:

CSSB 76(FIN)

CS FOR SENATE BILL NO. 76(FIN)

CHARITABLE GAMING RESTRICTIONS

"An Act requiring regulations relating to pull-tabs to be consistent with North American Gaming Regulators Association standards on pull-tabs to the extent permitted by charitable gaming laws; allowing permittees to contract with vendors to sell pull-tabs on behalf of the permittee at an establishment holding a package store

****TITLE CONT. ON PAGE 2****

RECOMMENDATIONS:

the same title

be replaced with _____ a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact _____

fiscal note(s) DCED 4/18/93

zero fiscal note _____

zero fiscal note(s) _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Brian Porter</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>		<input checked="" type="checkbox"/>	
<i>Frank Phillips</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>		<input checked="" type="checkbox"/>	
		<i>Annette James</i>		<input checked="" type="checkbox"/>	
		<i>[Signature]</i>			<input checked="" type="checkbox"/>

Brian S. Porter

 CHAIRMAN'S SIGNATURE

PAGE 2

license and certain establishments holding a beverage dispensary license; allowing municipalities to prohibit vendors from conducting gaming activities within the municipality; restricting the purchase of pull-tabs by permittees, licensees, and vendors and their owners, managers, and employees; requiring receipts before prizes of \$50 or more may be awarded in pull-tab games; prohibiting distributors from supplying pull-tabs to vendors; requiring the registration of vendors and regulating activities involving them; requiring the licensing of out-of-state pull-tab manufacturers; requiring the department regulating charitable gaming to approve contracts between permittees and operators before gaming may occur; preventing persons with felony convictions or convictions for crimes involving theft or dishonesty or a violation of gambling laws from being involved in charitable gaming activities as a permittee, licensee, vendor, person responsible for the operation of an activity, fund raiser or consultant of a licensee or vendor, or employee in a managerial or supervisory capacity, and providing exceptions for certain persons whose convictions are at least 10 years old and are not for violation of an unclassified felony described in AS 11, a class A felony, or extortion; relating to multiple-beneficiary charitable gaming permits and door prizes for charitable gaming; requiring operators to pay permittees each quarter at least 30 percent of the adjusted gross income from a pull-tab activity and limiting operators to expenses of not more than 70 percent of the adjusted gross income from that activity; requiring operators to pay permittees each quarter at least 10 percent of the adjusted gross income from a charitable gaming activity other than pull-tabs and limiting operators to expenses of not more than 90 percent of the adjusted gross income from that activity; requiring a permittee who uses a pull-tab vendor to enter into a contract with that vendor; requiring a vendor contracting with a permittee to pay the permittee at least 50 percent of the ideal net for each pull-tab series delivered to the vendor by the permittee; requiring that operators report an adjusted gross income of at least 15 percent of gross income each quarter; allowing the commissioner regulating charitable gaming to issue orders prohibiting violations of state gaming laws; relating to the authority of the commissioner regulating charitable gaming to suspend or revoke a permit, license, or registration; prohibiting the direct contribution of proceeds of a bingo or pull-tab game to a candidate for a public office of the state or a political subdivision of the state or to that candidate's campaign organization; prohibiting the payment of any portion of the net proceeds of a charitable gaming activity to a registered lobbyist; relating to 'political uses' and 'political organizations' as those terms are used in the charitable gaming statutes; and providing for an effective date."



A.C.C.A....serving Alaskans with disabilities since 1956.

1020 Barnette Street Fairbanks, Alaska 99701 (907) 456-4003

April 20, 1993

Speech/Language
Clinic

Representative Brian Porter
State Capitol
Juneau, AK 99801-1182

Dear Representative Porter,

Project TEACH
Early
Intervention
Program

During the fiscal year 1992, A.C.C.A. received \$33,796.88 from our pull-tab gaming permit. For several years, A.C.C.A. has been fortunate to receive revenue from our operator, Joe Nyquist. A.C.C.A. is dependent on income generated from its pull-tab gaming permit in order to provide services to individuals with disabilities.

Medical Equipment
Loan Closet


It is our understanding that reform legislation concerning pull-tab gaming permits of charities needs to be passed during this legislative session. If the Legislature fails to enact legislation then all pull-tab gaming permits of nonprofits will be canceled on December 31, 1993.

We urge you to vote in favor of HB168 which has a number of significant reform measures.

Thank you for your time and attention regarding reform legislation on pull-tabs.

Sincerely,

Reducing Usage of
Smokeless Tobacco
Education Program


Ricki Chagnon
President A.C.C.A. Board of Directors

Supportive
Activities for
Families
and Clients



United Way
Member Agency



ANCHORAGE AREA EPILEPSY SOCIETY

1413 14th ST. ANCHORAGE, ALASKA 99501-5049
PHONE (907) 279-8841

Dear Mr. Porter:

House Judicial Committee

Please for the sake of ALL non-profits who hold Gaming permits, pass S.B. #76 NOW, without further delay. It is a known fact that the longer the bill is held in Committee the weaker the bill becomes or NEVER comes out?

The permittees now receives only 15 per-cent & yet they, the permittee is required by law to pay taxes on each game - plus the 1 per-cent at the end of each year to the state. Leaving the non-profits with-right at 13/14 per-cent for the total. Why? This arrangement leaves the operators with a great deal of cash flow to hire lobbyist to lobby on their behalf or to make trips to Juneau to lobby on their own behalf?

Why is it, there is no-accountability for Bing-o? Only with Pull-Tabs? Senate Bill #76 would go along ways to overcome this deficiency?

I would also like to point out, when anything goes astray-wrong-; the state officials automatically go after the Permittee / non-profits? Is it because we do not have the funds to hire an attorney? While on the other hand the Operators do!

It would help all the per-mittees, if you could rush the passing of Senate Bill #76 in aways that nothing else has. It would make things much clearer.

The non-profits neither have the time or finances to become involved - physically, besides we are not allowed too, in fighting!

4-23-93

James Kelly,
P.O. Thompson, Rochester

On behalf of the Exchange Area Epilepsy Society

without any further delay.

Please bring same into line by passing A.S. # 172

Committee?

use appeal this (Littiat-typo, etc.) at the expense of the
the Mr. Whittier & the Mr. Phillips of our world case

non-profit status?

writing of you that calls to the letter, in our annual letter our -

are re-presenting ourselves. We have to rely on letters

Authorized Games of Chance and Skill

Name of Permit Holder	Permit Number
Alaska Charitable Gaming Assn.	91-1166

**SCHEDULE D.
DONATIONS OF NET PROCEEDS**

Net proceeds from gaming activities must be dedicated within one year to the awarding of prizes, and to political, educational, civic, public, charitable, patriotic or religious uses in Alaska. (See AS 05.15.150) List below all dedications of net proceeds. Use additional pages as necessary, or any reasonable facsimile that contains all of the requested information.

RECIPIENT	PURPOSE	AMOUNT	DATE	CHECK NO.
Mark Higgins	Lobbyist	5000.00	1/14	1090
Dept. Commerce/Econ Dev.	Copying	15.00	1/15	1092
Mark Higgins	Lobbyist	5000.00	2/25	1093
Mark Higgins	Lobbyist	8000.00	3/26	1095
Mark Higgins	Lobbyist	7000.00	4/17	1096
Mark Higgins	Lobbyist	5000.00	5/07	1097
Mark Higgins	Lobbyist	5000.00	5/23	1098
Dept Commerce/Econ Dev	Biannual report	15.00	6/19	1099
Mark Higgins	Lobbyist	5000.00	7/23	1102
Dept Commerce/Econ Dev	1991 1% fee	122.61	6/27	1100
Dept Commerce/Econ Dev	Due on '91 gross est.	150.00	6/27	1101
Armed Services YMCA	Contribution	200.00	8/06	1104
Mark Higgins	Lobbyist	5000.00	8/15	1105
Mark Higgins	Lobbyist	3500.00	9/31	1106
Mark Higgins	Lobbyist	6500.00	10/21	1107
Mark Higgins	Lobbyist	5000.00	11/18	1108
Dept Commerce/Econ Dev	1992 Permit Fee	100.00	11/19	1109
Mark Higgins	Lobbyist	5000.00	12/07	1110
WISE Project	Contribution	5000.00	12/27	1112
Johnny Ellis	Political Contribution	1000.00	12/31	1114
Max Gruenberg	Political Contribution	1000.00	12/31	1115
Mark Begich	Political Contribution	1000.00	12/31	1116
David Finkelstein	Political Contribution	1000.00	12/31	1117
TOTAL AMOUNT. Enter here and on page 1, line 9		74,602.61		

Games of Chance and Skill

Name of Permit Holder

Permit Number

Carpenters Local 1281

920533

PERMIT NO. 920533
ISSUED BY THE PERMITTING AGENCY
THIS PERMIT IS NOT TO BE REPRODUCED OR COPIED IN ANY MANNER WITHOUT THE WRITTEN CONSENT OF THE PERMITTING AGENCY.

DISPOSITIONS OF NET PROCEEDS

All proceeds from gaming activities must be dedicated within one year to the awarding of prizes, and to political, educational, civic, public, charitable, patriotic or religious uses in Alaska. (See AS 05.15.150) List below all dedications of net proceeds. Use additional pages as necessary, or any reasonable facsimile that contains all of the requested information.

RECIPIENT	PURPOSE	AMOUNT	DATE	CHECK NO.
State of Alaska	License Fee	100.00	1/13	161
Check Voided		[500.00]		140
Demo. Party for Reapp.	Donation	500.00	2/12	162
Mark Begich Campaign	Donation	500.00	2/12	163
Chuck Landers Campaign	Contribution	500.00	2/12	164
Jim Barnett Campaign	Contribution	500.00	2/12	165
APOC	Late Fee	10.00	3/2	166
Volunteers of America	Camp Scholarship	190.00	3/5	167
Peninsula Advertising	Hats	1017.00	3/9	168
State of Alaska	1% fee 1991	140.87	3/16	169
Local 1281 - Legislative Fund	Transfer	30.00	4/14	170
Anch. Econ. Dev. Corp.	1992 membership	1200.00	5/4	171
Anchorage Bucs Baseball	1992 Solidarity Night	195.00	5/7	172
Nat. Write Your Cong.	Membership	199.00	6/5	173
Klondike Advertising	Knives/Coffee Mugs	2245.00	6/11	174
Holly Rogers	Miss Teen America Pageant	335.00	6/22	175
Jim Zawacki Campaign	Contribution	500.00	8/4	176
Susanne Little Campaign	Contribution	250.00	8/4	177
Drue Pearce Campaign	Contribution	250.00	8/4	178
Larry Baker Campaign	Contribution	250.00	8/4	179
Dave Donley Campaign	Contribution	250.00	8/4	180
Jim Estes Campaign	Contribution	250.00	8/4	181
****Total from attached page.....		10693.60		
TOTAL AMOUNT. Enter here and on page 1, line 14		19605.47		

12 Campaigns cont

INFORMATION INSTRUCTIONS
For each type of gain activity, multiply the amount by the appropriate column factor to determine the total cost to be reported.

Schedule E. (cont.)

<u>Recipient</u>	<u>Purpose</u>	<u>Amount</u>	<u>Date</u>	<u>Check No.</u>
E. Kubina Campaign	Contribution	250.00	8/4	182
Mike Navarre Campaign	Contribution	250.00	8/4	183
Fate Putman Campaign	Contribution	250.00	8/4	184
Kay Brown Campaign	Contribution	250.00	8/4	185
Betty Bruckman Campaign	Contribution	250.00	8/4	186
Duane French Campaign	Contribution	250.00	8/4	187
Pat Parnell Campaign	Contribution	250.00	8/4	188
E. Muldor Campaign	Contribution	250.00	8/4	189
Jim Arlington Campaign	Contribution	250.00	8/4	190
Curt Menard Campaign	Contribution	250.00	8/4	191
Iven Ivan Campaign	Contribution	250.00	8/4	192
Johnny Ellis Campaign	Contribution	500.00	8/4	193
Jim Nordlund Campaign	Contribution	500.00	8/4	194
Ramona Barnes Campaign	Contribution	1000.00	8/4	195
Ron Larson Campaign	Contribution	100.00	8/4	196
E. Oakley Campaign	Contribution	100.00	8/4	197
Klondike Advertising	Knives	43.60	8/17	198
Melva Krogseng Campaign	Contribution	250.00	9/8	199
Curt Menard Campaign	Contribution	500.00	9/25	200
Pat Carney Campaign	Contribution	500.00	9/25	201
COPE	Contribution	1000.00	9/25	202
S. Little Campaign	Contribution	500.00	9/25	203
Drue Pearce Campaign	Contribution	500.00	9/25	204
Johnny Ellis Campaign	Contribution	500.00	9/25	205
Jay Kerttula Campaign	Contribution	500.00	9/25	206
Loren Leman Campaign	Contribution	500.00	9/25	207
Drywallers Strike Fund	Contribution	100.00	10/12	208
State of Alaska	Permit Fee 1993	100.00	10/27	209
Dave Donley Campaign	Contribution	750.00	11/19	210

Total this page

10693.60

Authorized Games of Chance and Skill

1992

Name of Permit Holder Valdez Democratic Precinct	Permit Number 920978
---	-------------------------

SCHEDULE D.
WAGE EXPENSE

SCHEDULE E.
DONATIONS OF NET PROCEEDS

Net proceeds from gaming activities must be dedicated within one year to the awarding of prizes, and to political, educational, civic, public, charitable, patriotic or religious uses in Alaska. (See AS 05.15.150) List below all dedications of net proceeds. Use additional pages as necessary, or any reasonable facsimile that contains all of the requested information.

RECIPIENT	PURPOSE	AMOUNT	DATE	CHECK NO.
Eugene Kubina	Campaign donation	10,000.00	7/8/92	189
Robert F. Kellar	"	5,000.00	7/15/92	190
John Devens	"	1,000.00	10/19/92	197
Tony Smith	"	1,000.00	10/23/92	198
State Democratic Party	"	8,000.00	5/21/92	178
Valdez Cablevision	Advertising for membership meeting	27.00	2/7/92	168
"	"	18.00	4/5/92	174
"	"	28.35	5/13/92	177
"	"	9.00	4/30/92	186
"	"	9.00	7/6/92	187
"	"	9.00	7/22/92	192
KLAM Cordova	Aug Primary Advertisement	84.42	10/7/92	196
KUAK Valdez	Open ballot Ad.	105.00	9/4/92	193
A.P.D.C.	fine	1,237.50	2/17/92	169
Westmark	94 convention in	40.00	3/12/92	170
Rickols Sign	Whistle expenses	160.00	4/9/92	172
mat-su Democrats.	table fee	50.00	5/8/92	175
Valdez City Schools	buttons	37.50	5/13/92	176
Fischer/meidinger	hotel expense	185.75	5/31/92	179
Gallagher	hotel/expense	110.60	6/4/92	182
Kellars	hotel/expense	248.85	6/4/92	183
meidinger	expense	50.00	6/4/92	184
Fischer	expense	28.71	6/4/92	185
mat su resort	hotel	891.12	7/13/92	191
CUTC	telephone bills	5.00	3/17/92	171
"	"	21.36	4/4/92	181
"	" District meeting	459.66	7/17/92	188
UCUB	membership fee	75.00	4/9/92	173
State of Alaska	93 permit fee	50.00	12/1/92	199
Refund from John Devens	for 91 donation	(1,000.00)	4/7/92	—
mark Air	Speedmark posters	10.00	9/4/92	195
TOTAL AMOUNT. Enter here and on page 1, line 14		27,948.82		