

**HOUSE BILL NO. 281**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTY-FIRST LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVE LEBON**

**Introduced: 2/24/20**

**Referred: Labor & Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to operators' licenses for charitable gaming; relating to raffles and**  
2 **lotteries conducted by operators; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 05.15.100(c) is amended to read:

5 (c) The department may issue an operator's license to a [NATURAL] person  
6 to conduct an activity permitted under this chapter, other than a Calcutta pool, on  
7 behalf of a municipality or a qualified organization. The department may also issue an  
8 operator's license to a municipality or a qualified organization to conduct an activity,  
9 other than a Calcutta pool, on behalf of another municipality or qualified organization.

10 **\* Sec. 2.** AS 05.15.122(b) is amended to read:

11 (b) The department may issue an operator's license to a [NATURAL] person,  
12 municipality, or qualified organization that

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

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

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

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

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

7 (6) if

8 (A) a natural person, has passed a test formulated by the  
9 department on the contents of this chapter and the regulations adopted under  
10 this chapter [AND ADMINISTERED BY THE DEPARTMENT AT LEAST  
11 FOUR TIMES A YEAR]; or

12 (B) [, IF] a municipality, [OR] qualified organization, or a  
13 person other than a natural person, has designated a municipal employee,  
14 [OR] member of the organization, or employee who has passed the [THIS]  
15 test required under (A) of this paragraph.

16 \* **Sec. 3.** AS 05.15.122 is amended by adding a new subsection to read:

17 (e) The department shall administer the test required by (b)(6)(A) of this  
18 section at least four times a year.

19 \* **Sec. 4.** AS 05.15.165 is amended by adding a new subsection to read:

20 (g) Notwithstanding (c) and (d) of this section, an operator may sell raffle and  
21 lottery tickets on behalf of a permittee on premises without posting the permit and  
22 without obtaining liability insurance if

23 (1) no other activity subject to this chapter is conducted by the operator  
24 on the premises;

25 (2) the premises are not owned or leased by the operator;

26 (3) the operator has obtained the permission of the owner or manager  
27 of the premises to sell raffle and lottery tickets on the premises; and

28 (4) either

29 (A) the operator, and each employee of the operator, possesses  
30 a copy of the operator's license and of the authorizing permit while conducting  
31 the sales; or

1 (B) the license number and permit number are printed on each  
2 raffle and lottery ticket.

3 \* **Sec. 5.** AS 05.15.690(34) is amended to read:

4 (34) "operator" means a [NATURAL] person, [WHO, OR A]  
5 municipality, or qualified organization that [,] has obtained a license to conduct an  
6 activity subject to this chapter on behalf of a permittee;

7 \* **Sec. 6.** AS 05.15.690 is amended by adding a new paragraph to read:

8 (50) "person" means a natural person, sole proprietorship, or limited  
9 liability partnership formed by natural persons.

10 \* **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to  
11 read:

12 TRANSITION: EFFECT ON CURRENT LICENSEES. A person who holds a valid  
13 operator's license under AS 05.15 on the effective date of secs. 1 - 6 of this Act may continue  
14 to operate under the license until the license expires normally under AS 05.15, as that chapter  
15 read on the day before the effective date of secs. 1 - 6 of this Act, but the operator shall  
16 otherwise comply with AS 05.15, as amended by secs. 1 - 6 of this Act.

17 \* **Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to  
18 read:

19 TRANSITION: REGULATIONS. The Department of Revenue may adopt regulations  
20 necessary to implement this Act. The regulations take effect under AS 44.62 (Administrative  
21 Procedure Act), but not before the effective date of secs. 1 - 6 of this Act.

22 \* **Sec. 9.** Section 8 of this Act takes effect immediately under AS 01.10.070(c).