

15 AAC 160.020(a)(1) is amended to read:

15 AAC 160.020. Permit application. (a) An applicant for a new permit shall submit to the department

(1) a completed original application on a form **prescribed** [PROVIDED] by the department;

15 AAC 160.020(a)(5) is amended to read:

(5) a copy of the applicant's by-laws and copies of the applicant's national and state charters, if any; by-laws and charters must contain a dissolution clause that provides for the disposition of net proceeds from charitable gaming conducted under this chapter to a **permittee, other than a multiple-beneficiary permittee** [CHARITABLE ORGANIZATION AS DEFINED AT AS 05.15.690(6) OR ANOTHER QUALIFIED ORGANIZATION THAT IS AUTHORIZED TO CONDUCT ACTIVITY UNDER AS 05.15];

15 AAC 160.020(b)(1) is amended to read:

(b) An applicant for a renewed permit shall submit to the department

(1) a completed original application on a renewal form **prescribed** [PROVIDED] by the department;

15 AAC 160.020(e) is amended to read:

(e) An applicant for a permit that is not a municipality shall accomplish the notice required under AS 05.15.030(a) by submitting **one copy** [TWO COPIES] of the

application submitted under (a)(1) or (b)(1) of this section to **the** [EACH] city or borough nearest to **each** [THE] location in which the applicant seeks to conduct an activity permitted under AS 05.15. **If the applicant proposes activity in an area served by both a city and a borough, the applicant may choose which of the two will receive notice of the application.**

15 AAC 160.020 is amended by adding a new subsection to read:

(f) The certification of membership in (a)(6) of this section may be accomplished by submitting to the department a list setting out the names of the current members that are certified to be members and state residents. The names of the primary member in charge and alternate member or members in charge must be included on the submitted list. A partial list may be provided if it contains at least 25 names. (Eff. 7/30/94, Register 131; am 11/10/96, Register 140; am 1/1/2003, Register 164; am 9/3/2005, Register 175; am __/__/____, Register ____)

Authority:	AS 05.15.020	AS 05.15.060	AS 05.15.120
	AS 05.15.030	AS 05.15.095	AS 05.15.140
	AS 05.15.040	AS 05.15.100	

15 AAC 160.030(a)(1) is amended to read:

15 AAC 160.030. Operator’s license application. (a) An applicant for an operator's license shall submit to the department

(1) a completed original application on a form **prescribed** [PROVIDED]

by the department, **containing only accurate and complete information**; and

15 AAC 160.030(b)(3) is amended to read:

(b) The department will, in its discretion, accept lienable property located in the state as a security posted under AS 05.15.122(b)(5) if

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(3) the applicant's equity in the property is at least two times the amounts specified in AS 05.15.122(b)(5), **as shown in an appraisal from a certified real estate appraiser authorized under AS 08.87, certifying that the property satisfies the conditions of this section**, and at all times shall remain at least two times that amount; **and**

15 AAC 160.030(b) is amended by adding a new paragraph to read:

(4) for renewal applications filed for years after 2008, the applicant biennially obtains an appraisal from a certified real estate appraiser authorized under AS 08.87, certifying that the property satisfies the conditions of (b)(3) of this section, but the department may require annual appraisal if the Department has reason to believe that the property no longer has the value attributed to it by the most recent appraisal.

15 AAC 160.030(c)(3) is amended to read:

(c) As used in AS 05.15 and this chapter, a bond or security is "satisfactory to the department" if the bond or security

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(3) is a certificate of deposit, is in the name of the state in trust for the applicant and is accompanied by a completed assignment of negotiable instrument form **prescribed** [PROVIDED] by the department.

15 AAC 160.030(e) is amended to read:

(e) An applicant for an operator's license, that is not a municipality, shall accomplish the notice required under AS 05.15.030(a) by submitting **one copy** [TWO COPIES] of the application described under AS 05.15.122(b) to **the** [EACH] city or borough nearest to **each** [THE] location in which the applicant seeks to conduct an activity permitted under AS 05.15. **If the applicant proposes activity in an area served by both a city and a borough, the applicant may choose which of the two will receive notice of the application.**

15 AAC 160.030 is amended by adding new subsections to read:

(f) An applicant for reinstatement of a license that has been revoked must retake the test required by AS 05.15.122(b).

(g) An applicant for an operator license that is not a municipality or qualified organization must be at least 21 years of age. (Eff. 7/30/94, Register 131; am 11/10/96, Register 140; am __/__/____, Register ____)

Authority:	AS 05.15.030	AS 05.15.100	AS 05.15.165
	AS 05.15.060	AS 05.15.122	AS 05.15.167

AS 05.15.095

15 AAC 160.050 is amended to read:

15 AAC 160.050. Pull-tab distributor's license application. An applicant for a pull-tab distributor's license under AS 05.15.183 shall submit to the department

(1) a completed original application on a form **prescribed** [PROVIDED] by the department; [AND]

(2) the fee required under AS 05.15.183(b);

(3) for a new application for years after 2008, proof that the applicant owns or leases sufficient

(A) secure warehouse space to receive, hold, and distribute pull-tab games; and

(B) office space in which to operate a pull-tab distributor business; for purposes of this section, a personal residence does not qualify as commercial office space.

15 AAC 160.050 is amended by adding new subsections to read:

(b) Lack of adequate warehouse capacity or office space to start or maintain a pull-tab distributor business is grounds for denial, suspension or revocation of a license

(c) For a new application for years after 2008, an applicant for a distributor license must be at least 21 years of age. (Eff. 7/30/94, Register 131; am __/__/____, Register __)

Authority: AS 05.15.060 AS 05.15.183

15 AAC 160.350 is repealed and readopted to read:

15 AAC 160.350. Registered vendor compensation. (a) A permittee may not pay, and a registered vendor may not accept permittee payment of, any expense incurred by the registered vendor that would cause the permittee to receive less than 70% of the ideal net of a pull-tab game sold to the vendor, as required by AS 05.15.188.

(b) A registered vendor may not participate in an inducement program prohibited by 15 AAC 160.925 or accept a pull-tab point of sale system or a pull-tab dispensing device either as a gift or a loan, or for rent, from a permittee or a distributor from whom the permittee purchases pull-tab games.

(c) A permittee may conduct gaming activity at what would otherwise be a registered vendor location without the payment requirements of AS 05.15.188(i), if

(1) no compensation, other than that allowed at 15 AAC 160.935(c)(2), is paid or provided to the vendor;

(2) the gaming activity is conducted in a space separate and distinct from any area where alcoholic beverages are stored or dispensed;

(3) the gaming activity is conducted by employees or volunteers of the permittee; and

(4) the department has endorsed the permittee's permit for that vendor location. (Eff. 7/30/94, Register 131; am __/__/____, Register ____)

Authority: AS 05.15.060 AS 05.15.188

15 AAC 160.410(b)(2) is amended to read:

(b) A licensed pull-tab manufacturer may not distribute a pull-tab series in this state to a licensed pull-tab distributor unless the manufacturer has

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(2) included with the pull-tab series the remaining state identification **labels** [STAMPS] from the set for use by the permittee, distributor, **or** operator, [OR VENDOR] in accordance with other provisions of this chapter; and

15 AAC 160.410(c) is repealed:

(c) **Repealed** __/__/____ [A LICENSED PULL-TAB MANUFACTURER MAY NOT DISTRIBUTE A PULL-TAB SERIES IN THIS STATE UNLESS THE MANUFACTURER HAS INCLUDED WITH THE PULL-TAB SERIES THE REMAINING STATE IDENTIFICATION STAMPS FOR USE BY THE PERMITTEE, RECEIVING DISTRIBUTOR, OPERATOR, OR VENDOR.]

15 AAC 160.410 is amended by adding a new subsection to read:

(e) A licensed pull-tab manufacturer shall

(1) sell a pull-tab game to any licensed distributor and may not deal exclusively with one or more distributors to the exclusion of all or some others;

(2) charge the same price for a pull-tab game to, and use the same schedule of discounts for volume purchases for, all distributors; and

(3) make all pull-tab games in the manufacturer's inventory available to all distributors, except for a pull-tab game that was designed specifically for or by a particular permittee or operator, and in which the permittee or operator has a proprietary interest. (Eff. 7/30/94, Register 131; am __/__/____, Register ____)

Authority: AS 05.15.060 AS 05.15.181 AS 05.15.185

15 AAC 160.470(b) is amended to read:

(b) A permittee, operator, or registered vendor may not sell a pull-tab that is marked, defaced, tampered with, in a condition that may deceive the gaming public, or that affects the chances of the gaming public winning or losing on that pull-tab. To protect the best interests of the public, a pull-tab series with a prize for the last pull-tab sold may not be combined with another series, even though the combination might be generally allowable under AS 05.15.187(c).

15 AAC 160.470(c) is amended to read:

(c) A [CASH] pull-tab prize of \$50 or more shall be paid **only** by cash or check. **Except for lottery tickets awarded pursuant to AS 05.15.187(g), non-cash items may not be awarded as prizes in a pull-tab game.**

15 AAC 160.470(d) is amended to read:

(d) A pull-tab prize of less than \$50 may be traded for other pull-tabs, but must be accounted [FOR] as a cash prize when preparing a report required under AS 05.15 or this chapter.

15 AAC 160.470 is amended by adding new subsections to read:

(k) An operator, registered vendor or permittee may not sell pull tabs to an employee, officer, director, member in charge, manager of gaming, a person who has access to pull-tab game information or accounting records, or a related party, as defined by 15 AAC 160.954(e).

(l) A pull-tab dispensing device may be used to dispense pull-tab games to a selling agent. For purposes of this subsection a “pull-tab dispensing device” means a mechanical or electronic device that dispenses pull-tab games, cannot accept money or other forms of payment for the pull-tabs dispensed, and has been previously approved by the department. An operator, a registered vendor or a permittee using a pull-tab dispensing device shall prohibit players from having direct access to the device.

(m) Unclaimed prizes in a pull-tab game with a coin-board must be awarded to the player who buys the last ticket to close out the game. The winner of an unclaimed prize in a seal card game will be determined, under house rules, from the players in the seal card game.

(n) For purposes of 15 ACC 160.480(a)(3), a coin in a coin board is valued at face value.

(o) A player may not have access to a pull-tab container, jar or dispensing device.

(Eff. 7/30/94, Register 131; am 1/1/2003, Register 164; am 9/3/2005, Register 175;

am __/__/____, Register __)

Authority: AS 05.15.060

AS 05.15.170

AS 05.15.187

15 AAC 160.510(a) is amended to read:

15 AAC 160.510. Bingo card sales. (a) A permittee or operator shall establish the price for each bingo card, set of bingo cards, or packet of bingo cards before the start of sales for a bingo game or session. A bingo card, set of bingo cards, or packet of bingo cards may not be provided to a player for free, on credit, or at a discount, **and the same price per card, whether paper or electronic, must be charged to all players.**

15 AAC 160.510(b) is amended to read:

(b) A bingo card must be sold at the location of the bingo game where it is to be played. The bingo card must be sold during or immediately before the session for which the bingo card is sold. A bingo card may not be sold[,] if the sale allows a player an advantage over another player. The bingo card may only be played during the session for which the bingo card was sold.

15 AAC 160.510(c) is amended to read:

(c) A permittee or operator may not reserve a bingo card **or unit of electronic bingo paper** for use by a particular player or group of players, **but must provide bingo cards and electronic bingo paper to all interested players equally, as long as there are bingo cards or units of electronic bingo paper available,** except a braille bingo card may be reserved for use by a player who has a vision impairment.

(Eff. 7/30/94, Register 131; am 11/10/96, Register 140; am __/__/____, Register ____)

Authority: AS 05.15.060 AS 05.15.100

15 AAC 160.640(a) is amended to read:

15 AAC 160.640. Raffle tickets. (a) Raffle tickets must be consecutively numbered and must have a numbered, detachable stub for purposes of the drawing at the conclusion of raffle ticket sales. **The number must appear on the face of the ticket and stub.**

15 AAC 160.640(b) is amended to read:

(b) A raffle ticket must provide the following information on its face:

- (1) the date and location of the drawing;
- (2) the name of the permittee and the permit number;
- (3) if applicable, the name of the operator and the operator's license number;
- (4) the price of the raffle ticket;
- (5) whether the player must be present at the drawing to be eligible for a

prize;

(6) the ticket number.

15 AAC 160.640(d) is amended to read:

(d) The detachable stub on a raffle ticket must provide the following information on its face:

- (1) the permit number;
- (2) if applicable, the operator's license number;
- (3) adequate space for a player to write the player's name, mailing address,

and telephone number;

(4) the ticket number.

(Eff. 7/30/94, Register 131; am 9/3/2005, Register 175; am __/__/____; Register __)

Authority: AS 05.15.060 AS 05.15.100

15 AAC 160.800 is amended to read:

15 AAC 160.800. Promotional items. Notwithstanding 15 AAC

160.954(b)(2), a [A] permittee or operator may **receive or** distribute a **free** promotional item [PAID FOR AND] supplied by a manufacturer [OR DISTRIBUTOR] of gaming supplies, **provided that the promotional item has little intrinsic value and no exchange value.** (Eff. 7/30/94, Register 131; am __/__/____; Register __)

Authority: AS 05.15.060

15 AAC 160.820 is amended with new subsections to read:

(e) Notwithstanding (a) of this section, a permittee desiring a longer period in which to deposit funds from an authorized activity must first apply to the department for special permission. If the permittee establishes, to the department's satisfaction, that circumstances beyond the permittee's control justify the extension, the department may grant the request.

(f) A permittee may not accept or cash a third-party check from a player for the purchase of bingo cards, pull-tabs, or participation in any other gaming activity. (Eff. 7/30/94, Register 131; am 11/10/96, Register 140; am 1/1/2003, Register 164; am 9/3/2005, Register 175; am 11/05/2006, Register 180; am __/__/____; Register __)

Authority: AS 05.15.060 AS 05.15.100

15 AAC 160.880(a) is amended by adding a new paragraph to read:

15 AAC 160.880. Suspension or revocation of a permit, license, or registration. (a) The department may suspend or revoke a permit, license, or registration under AS 05.15 if the permittee, licensee, or registered vendor

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(22) in the case of a registered vendor, pays to a permittee less than the 70 percent of the ideal net of a pull-tab game played for the permittee that is required by AS 5.15.188, or, in the case of a permittee, receives less than 70 percent of the ideal net from a registered vendor upon delivery of the game to the registered vendor.

(Eff. 7/30/94, Register 131; am 1/1/2003, Register 164; am 9/3/2005, Register 175; am ___/___/___; Register __)

Authority: AS 05.15.010 AS 05.15.105 AS 05.15.170
 AS 05.15.050 AS 05.15.128 AS 05.15.184
 AS 05.15.060 AS 05.15.140 AS 05.15.690

15 AAC 160 is amended by adding new section to read:

15 AAC 160.925. Purchase inducement programs. (a) Permittees and operators may not participate in purchase inducement programs, and distributors and

manufacturers may not offer them. For purposes of this section, a purchase inducement program

(1) includes arrangements in which electronic gaming equipment, including bingo or pull-tab point of sale systems, pull-tab dispensing devices, pull-tab scales, electronic bingo paper, or other gaming supplies or equipment, is offered to a permittee or to an operator, without charge or at a discounted price, in exchange for an agreement to buy pull-tab games, bingo equipment, or other gaming supplies or equipment exclusively from the distributor, or from a specified third-party pull-tab or bingo equipment or supplies distributor, if the supplier of the electronic gaming equipment is not a pull-tab distributor;

(2) does not include a discount in the purchase price of supplies or equipment, including pull-tab games and bingo or pull-tab point of sale systems, that a bingo equipment or pull-tab distributor may offer to a permittee or to an operator, if the discount directly reduces the invoiced amount due to the distributor for the specific supplies, pull-tab games, or equipment purchased.

(b) For purposes of (a)(2) of this section, sales of pull-tab games; bingo paper; gaming supplies, including pull-tab jars, mechanical pull-tab dispensing devices, and bingo daubers; bingo equipment, including blowers, flashboards and TV monitoring systems or system components; and electronic gaming equipment, including electronic bingo paper, electronic pull-tab dispensing devices, and bingo or pull-tab point of sale systems; must be listed on the invoice to show the price of each purchased item, net of any discount.

(c) A distributor of pull-tab point of sale systems may provide a system to a permittee, an operator, or a registered vendor, only if the system is able to accept data for pull-tabs sold by all licensed pull-tab distributors. A permittee, an operator, or a registered vendor, may not purchase or use a pull-tab point-of-sale system that does not accept data from all pull-tab games sold in the state. (Eff. __/__/____; Register __)

Authority: AS 05.15.060 AS 05.15.100 AS 05.15.187

15 AAC 160 is amended by adding a new section to read:

15 AAC 160.934. Disqualifying offenses. (a) On an application or an amended application filed with the department for years after 2008, the following must agree to submit to a criminal history check by the department for any offense that would bar them from involvement in activity under AS 15.15 or this chapter:

- (1) operator license applicant;
- (2) member in charge;
- (3) alternate member in charge;
- (4) manager of gaming.

(b) Upon request from the department, the following individuals must agree to submit to a criminal history check by the department for any offense that would bar them from involvement in activity under AS 15.15 or this chapter:

- (1) a registered vendor;
- (2) a manager, a supervisor, a fund raiser or a consultant for an operator or a registered vendor.

(c) If the department considers it advisable, the department may request a person regulated under this chapter to submit to criminal history checks in addition to those required by (a) and (b) of this section. Notwithstanding (e) of this section, if the department considers it advisable, the department may require the person to provide a set of finger prints.

(d) For purpose of this section, “submit to a criminal history check” means providing the department with proof of identity and a written consent, on a form prescribed by the department, to determine what criminal justice information exists concerning the person giving the consent. “Criminal justice information” has the meaning given in AS 12.62.900.

(e) For purposes of this section “proof of identity” means personal descriptors required either on a form prescribed by the department or in a format approved by the department, and one of the following:

(1) a set of fingerprints;

(2) two pieces of identification presented in person by the subject to the department, one of which must be a valid picture identification issued by a government unit;

(3) a signed statement attesting, under penalty for unsworn falsification in violation of AS 1.56.210, that the personal descriptors accurately describe the person signing the statement (Eff. __/__/____, Register ____)

Authority: AS 05.15.060 AS 05.15.105

15 AAC 160.954(b)(2) is amended to read:

(b) A person regulated under this chapter has a prohibited conflict of interest if the person or a related party is involved in any of the following activities:

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(2) **except as provided by 15 AAC 160.480 and 160.800, giving or receiving** [PROVIDING] a loan, **a gift, or an inducement of any value, involving an operator, a distributor, a registered vendor, or a manufacturer, or an employee of any of these;** [OR GIFTS WITH A TOTAL FAIR MARKET VALUE OF MORE THAN \$100 PER YEAR, FROM

[(A) AN OPERATOR, DISTRIBUTOR, REGISTERED VENDOR, OR MANUFACTURER TO AN OPERATOR OR TO A PERMITTEE, OR TO AN EMPLOYEE OF A PERMITTEE WHO ACTS IN A MANAGERIAL OR SUPERVISORY CAPACITY, OR

(B) A PERMITTEE TO AN OPERATOR, DISTRIBUTOR, REGISTERED VENDOR, OR MANUFACTURER];

15 AAC 160.954(b)(6) is amended to read:

(6) allowing a person to participate as a player in pull-tab activity conducted by or for the permittee if

(A) the person **or a related party** has access to pull-tab information or accounting records; or

(B) the person is prohibited from play in a gaming activity by AS 05.15.187(h);

15 AAC 160.954(b) is amended by adding a new paragraph to read:

(7) a gaming sales transaction with a person, whether licensed or not, who sells or provides the gaming supplies or equipment to a third party, if the same sale made directly to the third party would result in a prohibited conflict of interest.

15 AAC 160.954(c) is amended by adding a new paragraph to read:

(c) The following transactions involving a related party are not prohibited conflicts of interest:

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(8) participation by a person regulated under this chapter in any activity permitted under AS 05.15 or this chapter, other than pull-tabs, who is not barred by 15 AAC 160.500(b), by house rules, or by minimum age requirements, and who is not involved with selection of a winner in the activity.

(Eff. 11/10/96, Register 140; am 1/1/2003, Register 164; am __/__/____, Register __)

Authority: AS 05.15.060 AS 05.15.140 **AS 05.15.188**

15 AAC 160.970(c) is amended to read:

(c) A member in charge **or an alternate member in charge** who is designated on a permit application must have been an active member of the permittee, on the board of directors of the permittee, or an employee of the permittee, for at least six months before the date of the permit application.

15 AAC 160.970(d) is amended to read:

(d) **The** [A] member in charge **and alternate member in charge are** [IS] the principal **points** [POINT] of contact between the permittee and the department, **particularly in investigation of complaints and review or audit of reports.** [THEMEMBERS IN CHARGE IS] **They are** responsible for ensuring that gaming activity, including oversight of the manager of gaming, if any, is properly conducted, recorded and reported, and **that requested information and records are provided to the department in a timely manner. The member in charge and alternate member in charge must also make an effort to ensure that adequate internal controls are used, and that net proceeds are properly used.**

15 AAC 160.970(e) is amended to read:

(e) For a permittee to conduct an activity under AS 05.15 or this chapter, the member in charge or alternate member in charge must be actively carrying out the responsibilities of a member in charge. A permittee must maintain active plans to replace a member in charge or alternate member in charge who resigns or is no longer able to serve as member in charge or alternate member in charge. If a permittee does not have a natural person actively carrying out the responsibilities of a member in charge, **the** [A] permit is suspended until the department receives an amended application identifying a member in charge and the new member in charge has passed the test required by AS 05.15.112(a).

15 AAC 160.970 is amended by adding a new subsection to read:

(f) A member in charge or an alternate member in charge must be at least 21 years old. (Eff. 7/30/94, Register 131; am 9/3/2005, Register 175; am __/__/____, Register __)

Authority: AS 05.15.060 AS 05.15.112

15 AAC 160.995(26) is amended to read:

15 AAC 160.995. Definitions. As used in AS 05.15 and this chapter, unless the context requires otherwise,

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(26) “animal classic” has the meaning given in **AS 05.15.690**
[AS 05.15.690(46)];

15 AAC 160.995 is amended by adding new paragraphs to read:

(33) “coin board” means a game board containing legal tender or commemorative coins that is played in conjunction with a pull-tab game, where some pull-tab tickets are designated in advance as winners of the coins concealed in the board; a coin may have a value to coin collectors that exceeds the face value of the coin;

(34) “seal card” means a board or placard that is played in conjunction with a pull-tab game and which contains a seal or seals which, when removed or opened,

reveal designated winning numbers, letters, symbols or monetary denominations, in addition to instant prizes, and a register, containing blank lines, preceded by a numeral, letter or symbol combination, where players holding a ticket with a corresponding numeral, letter or symbol combination, sign their names; when the last pull-tab in the game is sold, the seal or seals are opened to reveal the winning numeral, letter or symbol combination.

(35) “point of sale system” means a computerized system that is used in conjunction with the sale of bingo cards, electronic bingo paper, or pull-tabs to generate sales records and data, and to enhance sales security and cash control. (Eff. 7/30/94, Register 131; am 11/10/96, Register 140; am 1/1/2003, Register 164; am __/__/____, Register ____)

Authority: AS 05.15.020 AS 05.15.160 AS 05.15.184
AS 05.15.060 AS 05.15.180 AS 05.15.690
AS 05.15.122 AS 05.15.181
AS 05.15.130 AS 05.15.183
AS 05.15.183