

HOUSE BILL NO. 239

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE THOMPSON

Introduced: 2/5/20

Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing a state lottery; providing for participation in multi-state lotteries;**
2 **establishing the Alaska State Lottery Board in the Department of Revenue; relating to**
3 **confidentiality of information regarding lottery winners; requiring background**
4 **investigations by the Department of Public Safety; and providing for an effective date."**

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

6 * **Section 1.** AS 05 is amended by adding a new chapter to read:

7 **Chapter 18. State Lotteries.**

8 **Article 1. Administration.**

9 **Sec. 05.18.010. Creation and membership of board.** (a) The Alaska State
10 Lottery Board is established in the Department of Revenue for the purpose of
11 generating revenue for the state by conducting a state lottery and facilitating
12 participation in multi-state lotteries. The board consists of five members appointed by
13 the governor and confirmed by a majority of the members of the legislature in joint
14 session. One member shall be appointed from each of the four judicial districts of the

1 state. The fifth member shall be an at-large member. The board shall select a chair
2 from among its members.

3 (b) Members of the board serve staggered terms of three years. Except as
4 provided in AS 39.05.080(4), a member of the board serves at the pleasure of the
5 governor or until a successor is appointed. A vacancy occurring in the membership of
6 the board shall be filled within 30 days by appointment of the governor for the
7 unexpired portion of the vacated term. A member who has served all or part of three
8 successive terms on the board may not be reappointed to the board unless three years
9 have elapsed since the person has last served on the board.

10 (c) Members of the board do not receive a salary but are entitled to per diem
11 and travel expenses authorized for boards and commissions under AS 39.20.180.

12 (d) A member of the board may not have a pecuniary interest in a contract or
13 agreement entered into by the board or the director.

14 (e) A person may not serve as a member of the board if that person

15 (1) has been convicted of

16 (A) a felony; or

17 (B) an offense under this chapter, AS 11.66.200 - 11.66.280, or
18 a comparable provision of municipal, state, or federal law;

19 (2) holds a license, permit, or registration under AS 05.15; or

20 (3) is an elected official of the state or of a political subdivision of the
21 state.

22 (f) A person may not serve as a member of the board until the investigation
23 required under AS 18.65.080(b) is completed.

24 (g) Three members of the board constitute a quorum for the transaction of
25 business.

26 **Sec. 05.18.020. Meetings.** (a) The board shall meet at least quarterly at the call
27 of the chair, at the request of a majority of the members, or at a regularly scheduled
28 time set by the board.

29 (b) An action of the board is not binding unless taken at a meeting where three
30 or more of the members are present and vote in favor of the action.

31 **Sec. 05.18.030. Duties and powers of board.** (a) The board shall

1 (1) enter into contracts and agreements necessary to carry out the
2 provisions of this chapter;

3 (2) adopt regulations necessary to implement this chapter;

4 (3) report to the governor and the legislature all state lottery revenue,
5 multi-state lottery revenue, prize disbursement, and other expenses;

6 (4) report to the governor and the legislature as frequently as the board
7 determines necessary on conclusions from the analysis of the reaction of state
8 residents to the state and multi-state lotteries, and on matters that require changes in
9 state law to prevent violations or evasions of this chapter or to correct undesirable
10 conditions in connection with the operation or administration of the state or multi-state
11 lotteries;

12 (5) monitor the operation of the state and multi-state lotteries
13 throughout the state;

14 (6) study and investigate the operation and administration of the state
15 and multi-state lottery laws of other states and of federal laws that affect multi-state
16 lotteries;

17 (7) conduct the state lottery; and

18 (8) facilitate participation in multi-state lotteries.

19 (b) The board shall deliver the reports required under (a) of this section to the
20 senate secretary and the chief clerk of the house of representatives and notify the
21 legislature that the reports are available.

22 **Sec. 05.18.040. Regulations.** The board shall adopt regulations under
23 AS 44.62 (Administrative Procedure Act) to establish

24 (1) the manner of conducting the state and multi-state lotteries and
25 awarding prizes;

26 (2) the procedures for contracting with persons to be agents;

27 (3) the manner in which and amount of compensation agents are to be
28 paid;

29 (4) other matters necessary or desirable to carry out this chapter, to
30 operate the state and multi-state lotteries efficiently and economically, and to make the
31 purchase of state and multi-state lottery tickets and the distribution of prizes

1 convenient.

2 **Sec. 05.18.050. Executive director and employees.** (a) The board shall
3 employ an executive director who is qualified by training and experience to conduct
4 the day-to-day work of the board. The director may not engage in another profession
5 or occupation.

6 (b) Subject to the approval of the board, the director may appoint deputies as
7 required to carry out the functions and duties of the board. The director may appoint
8 professional, technical, and clerical employees necessary to perform the duties of the
9 board.

10 (c) The director and other employees of the board are in the exempt service
11 under AS 39.25.110.

12 (d) The board may not employ a person who has been convicted, including
13 conviction based on a guilty plea or plea of nolo contendere, of an offense listed in
14 AS 05.18.010(e)(1).

15 (e) A person may not serve as director until the investigation required under
16 AS 18.65.080(b) is completed.

17 **Sec. 05.18.060. Duties of director.** The director shall

18 (1) supervise the operation and administration of the state and multi-
19 state lotteries;

20 (2) act as secretary to the board;

21 (3) contract with agents to sell lottery tickets;

22 (4) meet at least quarterly with the board on the operation and
23 administration of the state and multi-state lotteries;

24 (5) make available for inspection by the board, upon request, all books,
25 records, files, and other information and documents of the board;

26 (6) advise the board and make recommendations to improve the
27 operation and administration of the state and multi-state lotteries;

28 (7) suspend or revoke a contract issued under this chapter for a
29 violation of this chapter or the regulations adopted under this chapter;

30 (8) subject to the approval of the board, enter into contracts for the
31 operation and administration of the state and multi-state lotteries, except that agent

1 contracts are not subject to the approval of the board; and

2 (9) every six months, provide to the board a full and complete
3 statement of all state and multi-state lottery revenue, prize disbursements, and other
4 expenses for the preceding period.

5 **Sec. 05.18.070. Subpoenas.** (a) The director or the board may subpoena
6 witnesses and documents in a matter over which the board has jurisdiction, control, or
7 supervision. The director or the board may administer oaths and affirmations to
8 persons whose testimony is required.

9 (b) If a person fails to obey a subpoena, or if a person refuses to answer a
10 relevant question or exhibit a document when ordered to do so by the director or the
11 board, the director or the board may apply to the superior court for an order directing
12 the person to comply with the subpoena or the order. The court may order the person
13 to comply.

14 **Article 2. Lottery Retail Sales Agents.**

15 **Sec. 05.18.100. Lottery retail sales agents.** (a) The director may enter into a
16 contract on behalf of the board with a person who is qualified under AS 05.18.110 to
17 be a lottery retail sales agent.

18 (b) An agent may sell lottery tickets and hire employees to sell lottery tickets
19 under the agent's supervision.

20 **Sec. 05.18.110. Qualifications for agent contracts.** (a) A person who wishes
21 to contract with the director to be an agent shall apply on a form provided by the
22 board. The director shall charge the applicant a fee to cover the costs of processing the
23 application and checking the background of the applicant. The applicant shall submit
24 to the board, with the application, the applicant's fingerprints and the fees required by
25 the Department of Public Safety under AS 12.62.160 for criminal justice information
26 and a national criminal history record check under AS 12.62.400. The Department of
27 Public Safety may submit the fingerprints to the Federal Bureau of Investigation for a
28 national criminal history record check. The director shall use the information obtained
29 under this subsection when determining an applicant's qualification to be an agent.

30 (b) Before contracting with an applicant to be an agent, the director shall
31 consider

1 (1) the financial responsibility and security of the applicant and the
2 applicant's business or activity;

3 (2) the accessibility of the applicant's place of business or activity to
4 the public;

5 (3) the ability of the applicant to promote the retail sale of lottery
6 tickets;

7 (4) the sufficiency of existing agent contracts to serve the public
8 convenience;

9 (5) the volume of expected sales; and

10 (6) other factors the director determines are relevant.

11 (c) The director may not contract with an applicant to be an agent if the
12 applicant

13 (1) would be engaged in business exclusively as an agent;

14 (2) is an individual under 18 years of age; or

15 (3) has been convicted, including conviction based on a guilty plea or
16 plea of nolo contendere, of an offense listed in AS 05.18.010(e)(1).

17 (d) The director may contract with an agent for a term of not more than two
18 years, but may renew the contract.

19 **Sec. 05.18.120. Revocation or suspension of agent contracts.** (a) The
20 director shall, after a hearing, suspend or cancel the contract of an agent who violates
21 AS 05.18.320.

22 (b) The director may, after a hearing, suspend or cancel the contract of an
23 agent who violates a regulation adopted under this chapter or a provision of this
24 chapter other than AS 05.18.320.

25 (c) The director shall conduct proceedings to suspend or cancel an agent
26 contract under AS 44.62 (Administrative Procedure Act).

27 **Sec. 05.18.130. Deposit and reporting of receipts.** (a) Each agent shall
28 deposit to the credit of the state in a bank designated by the director all money
29 received by the agent from the sale of lottery tickets.

30 (b) Each agent shall file with the director on a form provided by the board a
31 weekly report of the receipts and transactions related to the sale of lottery tickets.

(c) The director shall impose a service charge on an agent if the payor bank dishonors

(1) a check that is deposited to the credit of the state by the agent; or

(2) an electronic transfer of funds to the state lottery fund established in AS 05.18.300 from the account of the agent for money received from the sale of lottery tickets.

(d) The director may charge an agent interest on money that is not paid to the state within 10 days after the due date and may impose an additional service charge in an amount to cover administrative costs if the debt is referred for collection.

(e) The amount, including any interest or service charge, owed to the board by an agent is a lien on the property of the agent at the time that the board files a claim of lien in the recorder's office of the recording district of the principal place of business of the agent.

Sec. 05.18.140. Bond. (a) Each applicant for an agent contract shall, at the time of application under AS 05.18.110, file with the board and maintain during the term of the agent contract a bond running to the state with a corporate surety qualified to do business in the state. The board shall determine the amount of the bond.

(b) The bond required by this section remains in effect until cancelled by action of the surety, the principal, or the board.

(c) The state or another person may not bring an action on the bond if more than three years have elapsed since its cancellation.

Article 3. Types of Games and Prizes.

Sec. 05.18.200. Types of lotteries. Under this chapter, the board may conduct a state lottery and facilitate participation in a multi-state lottery. The board may not conduct or authorize instant lotteries, scratch-off ticket games, video lottery terminals, or any other electronic game involving direct physical contact between the player and a machine.

Sec. 05.18.210. Assignment of prizes. A person may not assign a right to a prize. However, a prize may be paid to a person other than the prize winner under a court order or to the estate of a deceased prize winner. The state is discharged of all further liability when a prize has been paid under this section.

1 **Sec. 05.18.220. Unclaimed prize money.** The director shall retain unclaimed
 2 prize money for the person entitled to the prize money for one year after the prize is
 3 awarded. If the winner does not claim the prize money within the year, the board shall
 4 return the money and accrued interest to the state lottery fund.

5 **Sec. 05.18.230. Confidential payment of prizes.** (a) Except as provided in (b)
 6 of this section, the board shall, upon request by a person entitled to a prize of \$500,000
 7 or more, treat as confidential and not subject to public disclosure under AS 40.25 the
 8 person's records and information on file with the board.

9 (b) A person entitled to a prize may not remain confidential under (a) of this
 10 section if the person is an elected official.

11 (c) In this section, "elected official" means a person who holds an elected
 12 office of a governmental body, whether elected or appointed to the office.

13 **Article 4. Miscellaneous Provisions.**

14 **Sec. 05.18.300. State lottery fund and appropriations.** The state lottery fund
 15 is created in the general fund. The state lottery fund consists of all revenue received
 16 from the sale of lottery tickets and all other money credited or transferred to the fund
 17 from another fund or source.

18 **Sec. 05.18.310. Audit.** The board shall have a certified public accountant
 19 perform an audit of the books and accounts of the board at least once a year. The
 20 board may have special audits performed at any time on its own motion or at the
 21 request of the director. The board shall file a copy of each audit with the commissioner
 22 of revenue and submit the audit to the senate secretary and chief clerk of the house of
 23 representatives on or before February 15 of each year and notify the legislature that
 24 the audit is available.

25 **Sec. 05.18.320. Prohibited acts.** (a) A person may not
 26 (1) knowingly act as an agent or sell a lottery ticket unless the person
 27 has a contract to be an agent under AS 05.18.100 or is an employee of an agent and
 28 sells lottery tickets under the supervision of the agent;
 29 (2) knowingly sell a lottery ticket at a price greater than that fixed by
 30 the board;
 31 (3) knowingly sell or offer to sell a lottery ticket to a person under 18

1 years of age;

2 (4) knowingly present a counterfeit or altered lottery ticket for
3 collection of prize money or transfer a counterfeit or altered lottery ticket to another
4 person to present for collection of prize money;

5 (5) with intent to defraud, falsely make, alter, forge, utter, pass, or
6 counterfeit a lottery ticket; or

7 (6) impersonate a lottery representative.

8 (b) A lottery retail sales agent, the governor, or an officer, employee, or
9 contractor of the board or the Office of the Governor may not purchase a lottery ticket
10 or receive a lottery prize.

11 (c) An agent may not knowingly withhold funds owed to the board.

12 (d) In this section, "knowingly" has the meaning given in AS 11.81.900.

13 **Sec. 05.18.330. Assignment of contracts.** A person that enters into a contract
14 under this chapter may not assign the contract without the approval of the board.

15 **Sec. 05.18.340. Penalty.** A person that violates AS 05.18.130, 05.18.140,
16 05.18.210, 05.18.320, or 05.18.330 is guilty of a class C felony punishable as provided
17 in AS 12.55.

18 **Sec. 05.18.350. Statement of odds.** Each lottery ticket must indicate the odds
19 of winning a prize in the particular lottery game represented by the lottery ticket.

20 **Sec. 05.18.360. Applicability of other laws.** Other laws regarding the sale of
21 lottery tickets or the administration of a lottery do not apply to the sale of lottery
22 tickets under this chapter.

23 **Article 5. General Provisions.**

24 **Sec. 05.18.900. Definitions.** In this chapter, unless the context requires
25 otherwise,

26 (1) "agent" means a person who has contracted with the director to be
27 a lottery retail sales agent under this chapter;

28 (2) "agent contract" means a contract under AS 05.18.100 between the
29 state and a person for the person to be an agent;

30 (3) "board" means the Alaska State Lottery Board;

31 (4) "director" means the executive director of the board;

1 (5) "lottery" means a state lottery or multi-state lottery operated under
2 this chapter;

3 (6) "lottery ticket" means a ticket, receipt, card, or other item received
4 by a person from an agent or an employee of an agent as evidence of participation in a
5 lottery;

6 (7) "operation and administration" includes accounting, sales,
7 promotion, and security;

8 (8) "person" has the meaning given in AS 01.10.060 and also includes
9 an estate, receiver, trustee, assignee, referee, or other person acting in a fiduciary or
10 representative capacity, whether appointed by a court or otherwise, and a department,
11 commission, agency, or instrumentality of the state, including a municipality and an
12 agency or instrumentality of a municipality.

13 * **Sec. 2.** AS 11.66.280(3) is amended to read:

14 (3) "gambling" means that a person stakes or risks something of value
15 upon the outcome of a contest of chance or a future contingent event not under the
16 person's control or influence, upon an agreement or understanding that that person or
17 someone else will receive something of value in the event of a certain outcome;
18 "gambling" does not include

19 (A) bona fide business transactions valid under the law of
20 contracts for the purchase or sale at a future date of securities or commodities
21 and agreements to compensate for loss caused by the happening of chance,
22 including contracts of indemnity or guaranty and life, health, or accident
23 insurance;

24 (B) playing an amusement device that

25 (i) confers only an immediate right of replay not
26 exchangeable for something of value other than the privilege of
27 immediate replay and does not contain a method or device by which the
28 privilege of immediate replay may be cancelled or revoked;

29 (ii) confers only tickets, credits, allowances, tokens, or
30 anything of value that can be redeemed for toys, candy, or electronic
31 novelties offered at the same facility where the amusement device is

located; or

(iii) allows a player to manipulate a claw machine or similar device within an enclosure and enables a person to receive merchandise directly from the machine;

(C) an activity authorized by the Department of Revenue under AS 05.15 or AS 05.18; or

(D) the permanent fund dividend raffle authorized under AS 43.23.230;

* **Sec. 3.** AS 12.62.400(a) is amended to read:

(a) To obtain a national criminal history record check for determining a person's qualifications for a license, permit, registration, employment, or position, a person shall submit the person's fingerprints to the department with the fee established by AS 12.62.160. The department may submit the fingerprints to the Federal Bureau of Investigation to obtain a national criminal history record check of the person for the purpose of evaluating a person's qualifications for

(1) a license or conditional contractor's permit to manufacture, sell, offer for sale, possess for sale or barter, traffic in, or barter an alcoholic beverage under AS 04.11;

(2) licensure as a mortgage lender, a mortgage broker, or a mortgage loan originator under AS 06.60;

(3) admission to the Alaska Bar Association under AS 08.08;

(4) licensure as a collection agency operator under AS 08.24;

(5) a certificate of fitness to handle explosives under AS 08.52;

(6) licensure as a massage therapist under AS 08.61;

(7) licensure to practice nursing or certification as a nurse aide under AS 08.68;

(8) certification as a real estate appraiser under as 08.87;

(9) a position involving supervisory or disciplinary power over a minor or dependent adult for which criminal justice information may be released under AS 12.62.160(b)(9);

(10) a teacher certificate under AS 14.20;

1 (11) a registration or license to operate a marijuana establishment
2 under AS 17.38;

3 (12) admittance to a police training program under AS 18.65.230 or for
4 certification as a police officer under AS 18.65.240 if that person's prospective
5 employer does not have access to a criminal justice information system;

6 (13) licensure as a security guard under AS 18.65.400 - 18.65.490;

7 (14) a concealed handgun permit under AS 18.65.700 - 18.65.790;

8 (15) licensure as an insurance producer, managing general agent,
9 reinsurance intermediary broker, reinsurance intermediary manager, surplus lines
10 broker, or independent adjuster under AS 21.27;

11 (16) serving and executing process issued by a court by a person
12 designated under AS 22.20.130;

13 (17) a school bus driver license under AS 28.15.046;

14 (18) licensure as an operator or an instructor for a commercial driver
15 training school under AS 28.17;

16 (19) registration as a broker-dealer, agent, investment adviser
17 representative, or investment adviser under AS 45.56.300 - 45.56.350;

18 (20) licensure, license renewal, certification, certification renewal, or
19 payment from the Department of Health and Social Services of an individual and an
20 entity subject to the requirements for a criminal history check under AS 47.05.310,
21 including

22 (A) a public home care provider described in AS 47.05.017;

23 (B) a provider of home and community-based waiver services
24 financed under AS 47.07.030(c);

25 (C) a case manager to coordinate community mental health
26 services under AS 47.30.530;

27 (D) an entity listed in AS 47.32.010(b), including an owner,
28 officer, director, member, partner, employee, volunteer, or contractor of an
29 entity; or

30 (E) an individual or entity not described in (A) - (D) of this
31 paragraph that is required by statute or regulation to be licensed or certified by

the Department of Health and Social Services or that is eligible to receive payments, in whole or in part, from the Department of Health and Social Services to provide for the health, safety, and welfare of persons who are served by the programs administered by the Department of Health and Social Services;

(21) a lottery retail sales agent under AS 05.18.100;

(22) an applicant for executive director or appointee to the Alaska State Lottery Board.

* **Sec. 4.** AS 18.65.080 is amended by adding a new subsection to read:

(b) At the request of the commissioner of revenue, the Department of Public Safety shall investigate a person intended to be hired as the executive director or a person appointed by the governor to serve as a member of the Alaska State Lottery Board to determine whether the person has been convicted of a crime listed in AS 05.18.010(e)(1). Upon recommendation for appointment to the board or for hire as the executive director of the board, a person shall submit the person's fingerprints and the fees required by the Department of Public Safety under AS 12.62.160 for criminal justice information and a national criminal history record check under AS 12.62.400. The Department of Public Safety may submit the fingerprints to the Federal Bureau of Investigation for a national criminal history record check.

* **Sec. 5.** AS 39.25.110(11) is amended to read:

(11) the officers and employees of the following boards, commissions, and authorities:

(A) [REPEALED

(B)] Alaska Permanent Fund Corporation;

(B) [(C)] Alaska Industrial Development and Export Authority;

(C) [(D)] Alaska Commercial Fisheries Entry Commission;

(D) [(E)] Alaska Commission on Postsecondary Education;

(E) [(F)] Alaska Aerospace Corporation;

(F) [(G)] REPEALED

(H)] Alaska Gasline Development Corporation and subsidiaries

of the Alaska Gasline Development Corporation;

(G) Alaska State Lottery Board;

* **Sec. 6.** AS 39.50.200(b) is amended by adding a new paragraph to read:

(65) Alaska State Lottery Board (AS 05.18).

* **Sec. 7.** AS 40.25.120(a) is amended to read:

(a) Every person has a right to inspect a public record in the state, including public records in recorders' offices, except

(1) records of vital statistics and adoption proceedings, which shall be treated in the manner required by AS 18.50;

(2) records pertaining to juveniles unless disclosure is authorized by law;

(3) medical and related public health records;

(4) records required to be kept confidential by a federal law or regulation or by state law;

(5) to the extent the records are required to be kept confidential under 20 U.S.C. 1232g and the regulations adopted under 20 U.S.C. 1232g in order to secure or retain federal assistance;

(6) records or information compiled for law enforcement purposes, but only to the extent that the production of the law enforcement records or information

(A) could reasonably be expected to interfere with enforcement proceedings;

(B) would deprive a person of a right to a fair trial or an impartial adjudication;

(C) could reasonably be expected to constitute an unwarranted invasion of the personal privacy of a suspect, defendant, victim, or witness;

(D) could reasonably be expected to disclose the identity of a confidential source;

(E) would disclose confidential techniques and procedures for law enforcement investigations or prosecutions;

(F) would disclose guidelines for law enforcement investigations or prosecutions if the disclosure could reasonably be expected to risk circumvention of the law; or

1 (G) could reasonably be expected to endanger the life or
2 physical safety of an individual;

3 (7) names, addresses, and other information identifying a person as a
4 participant in the Alaska Higher Education Savings Trust under AS 14.40.802 or the
5 advance college tuition savings program under AS 14.40.803 - 14.40.817;

6 (8) public records containing information that would disclose or might
7 lead to the disclosure of a component in the process used to execute or adopt an
8 electronic signature if the disclosure would or might cause the electronic signature to
9 cease being under the sole control of the person using it;

10 (9) reports submitted under AS 05.25.030 concerning certain
11 collisions, accidents, or other casualties involving boats;

12 (10) records or information pertaining to a plan, program, or
13 procedures for establishing, maintaining, or restoring security in the state, or to a
14 detailed description or evaluation of systems, facilities, or infrastructure in the state,
15 but only to the extent that the production of the records or information

16 (A) could reasonably be expected to interfere with the
17 implementation or enforcement of the security plan, program, or procedures;

18 (B) would disclose confidential guidelines for investigations or
19 enforcement and the disclosure could reasonably be expected to risk
20 circumvention of the law; or

21 (C) could reasonably be expected to endanger the life or
22 physical safety of an individual or to present a real and substantial risk to the
23 public health and welfare;

24 (11) [REPEALED

25 (12)] records that are

26 (A) proprietary, privileged, or a trade secret in accordance with
27 AS 43.90.150 or 43.90.220(e);

28 (B) applications that are received under AS 43.90 until notice is
29 published under AS 43.90.160;

30 (12) [(13)] information of the Alaska Gasline Development
31 Corporation created under AS 31.25.010 or a subsidiary of the Alaska Gasline

1 Development Corporation that is confidential by law or under a valid confidentiality
2 agreement;

3 (13) [(14)] information under AS 38.05.020(b)(11) that is subject to a
4 confidentiality agreement under AS 38.05.020(b)(12);

5 (14) [(15)] records relating to proceedings under AS 09.58 (Alaska
6 Medical Assistance False Claim and Reporting Act);

7 (15) [(16)] names, addresses, and other information identifying a
8 person as a participant in the Alaska savings program for eligible individuals under
9 AS 06.65;

10 (16) [(17)] artists' submissions made in response to an inquiry or
11 solicitation initiated by the Alaska State Council on the Arts under AS 44.27.060;

12 (17) [(18)] records that are

13 (A) investigative files under AS 45.55.910; or

14 (B) confidential under AS 45.56.620;

15 (18) records of a lottery winner under AS 05.18.230.

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

18 ALASKA STATE LOTTERY BOARD; STAGGERED TERMS. Notwithstanding
19 AS 39.05.055, the governor shall appoint the initial members of the Alaska State Lottery
20 Board to staggered terms as follows:

21 (1) two members shall be appointed to serve three years;

22 (2) two members shall be appointed to serve two years; and

23 (3) one member shall be appointed to serve one year.

24 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 TRANSITIONAL PROVISION: REGULATIONS. The Department of Revenue may
27 adopt regulations necessary to implement the changes made by this Act. The regulations take
28 effect under AS 44.62 (Administrative Procedure Act), but not before the effective date of the
29 law implemented by the regulation.

30 * **Sec. 10.** Section 9 of this Act takes effect immediately under AS 01.10.070(c).

31 * **Sec. 11.** Sections 1 - 8 of this Act take effect July 1, 2020.