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# COMMITTEE REPORT

## SENATE

4/12/82

FURTHER: None

Date: May 10, 1982

Mr. President:

The Committee on JUDICIARY has had HB 678 membership in electric and telephone cooperatives

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 678  same title  
 new title
- and recommends to pass
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]

Robt A. Anderson Jr.

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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[Signature]

CHAIRMAN



Official Business

# Alaska State Legislature

## Senate

### Committee on Judiciary

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MINUTES OF THE SENATE JUDICIARY COMMITTEE

OF

MAY 10, 1982

Butrovic: Committee Room, State Capitol Juneau, Alaska

#### Legislation Before Committee:

- HB 678 - "An Act relating to membership in electric and telephone cooperatives."
- HB 668 - "An Act relating to the release of records by the Department of Fish and Game to the Department of Public Safety; and providing for an effective date."
- HJR 77 - Proposing an amendment to the Constitution of the State of Alaska relating to annulment of regulations by the legislature.
- HB 210 - "An Act relating to child custody."
- HB 577 - "An Act repealing provisions relating to justification of the use of force in resisting or interfering with arrest."
- HB 575 - "An Act relating to culpable mental states prescribed as elements of criminal assaults."
- HB 2 - "An Act relating to land; and providing for an effective date."

The meeting of the Senate Judiciary Committee was called to order by Chairman Rodey at 1:10 P.M. Committee members present were: Senators Rodey, Parr, and Anderson. Senators Bennett and Ray were absent.

010 - Call to order.

023 - Chairman Rodey brought HB 678 before the committee.

043 - <sup>Anderson</sup> moved to pass from committee with individual recommendations. There was no objection.

057 - HB 668 was brought before the committee.

077 - Senator Anderson moved to adopt the Senate committee substitute. There was no objection.

088 - Senator Parr moved to pass out of committee with individual recommendations. There was no objection.

109 - HJR 77 was brought before the committee.

131 - Senator Parr moved to adopt the committee substitute. There was no objection.

138 - Senator Anderson moved to pass out of committee with individual recommendations. There was no objection.

208 - Chairman Rodey announced that the committee will be hearing HB 2 in specific sections, dividing the bill up between University lands, homesteading, and seismographic material.

212 - Teresa Hebert, Exxon attorney, testified giving a language suggestion. She asked that the committee not adopt Sec. 11 & 12 of HB 2 which deal with seismographic material.

445 - Chairman Rodey returned HB 2 to the file.

453 - Chairman Rodey brought HB 210 before the committee.

465 - Representative Rogers testified, stating he would rather have mandatory mediation, but he also wished to avoid a fiscal note on the bill.

679 - Senator Parr moved to adopt the committee substitute. There was no objection.

685 - Senator Anderson moved to pass the bill from committee with individual recommendations. There was no objection.

689 - The next item of business was HB 577.

691 - Representative Anderson testified in favor of this bill.

786 - For the record, Senator Ray entered the meeting.

097 - Senator Parr asked the committee to hold the bill over until the next meeting. There was no objection and the bill was laid on the table.

140 - The last item of business was HB 575.

277 - After discussion, Senator Ray moved to pass HB 575 with individual recommendations.

285 - After a brief discussion, Senator Ray withdrew his motion.

298 - Senator Ray moved to add the provisions in SB 535 on to HB 575 as a committee substitute. There was no objection, and the committee substitute was adopted.

306 - Senator Ray moved to pass the committee substitute with individual recommendations. There was no objection.

314 - The meeting was adjourned at 2:20 P.M.



Official Business

# Alaska State Legislature

## Senate

### Committee on Judiciary

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MINUTES OF THE SENATE JUDICIARY COMMITTEE

OF

APRIL 29, 1982

Butrovich Committee Room, State Capitol Juneau, Alaska

#### Legislation Before Committee:

- HB 184 - "An Act authorizing convening special sessions of the legislature at any location in the state."
- HB 621 - "An Act providing for the issuance of certificates of birth for persons born outside the United States and adopted by Alaska residents."
- HB 678 - "An Act relating to membership in electric and telephone cooperatives."
- HB 339 - "An Act relating to the judicial review of administrative regulations."

The meeting of the Senate Judiciary Committee was called to order by Chairman Rodey at 5:10 P.M. Committee members present were: Senators Anderson, Parr, and Rodey. Senators Bennett and Ray were absent.

- 003 - Call to order.
- 010 - Mr. Bruce distributed HB 184, Rep. Martin's bill.
- 019 - Senator Anderson moved to pass HB 184. There was no objection.
- 053 - Chairman Rodey brought HB 621 before the committee.
- 060 - Joan Brooks, Vital Statistics, testified in favor of HB 621.
- 192 - Jan Ivey, Juneau Adoptive Parents Group, testified in favor of this legislation also.
- 267 - Chairman Rodey laid HB 621 on the table.
- 276 - The next item on the agenda was HB 678.
- 290 - After brief discussion, Chairman Rodey laid HB 678 on the table.
- 293 - The last item of business was HB 339.

297 - Mr. Art Peterson, Department of Law, testified, stating that if the burden of proof agreement were taken out of , then the Department of Law would be in agreement with this bill.

348 - Diane Colvin, Department of Law, testified, explaining the committee substitute.

709 - After brief discussion, Chairman Rodey laid HB 339 on the table.

712 - Chairman Rodey adjourned the meeting at 5:50 P.M.



# Alaska State Legislature

## Senate

### Committee on Judiciary

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MINUTES OF THE SENATE JUDICIARY COMMITTEE

OF

APRIL 26, 1981

Butrovich Committee Room, State Capitol Juneau, Alaska

#### Legislation Before Committee:

- SJR 68 - Proposing an amendment to the Constitution of the State of Alaska providing that a legislator who is convicted of a felony forfeits legislative office.
- HB 678 - "An Act relating to membership in electric and telephone cooperatives."
- HB 849 - "An Act relating to electric and telephone cooperatives."
- HB 339 - "An Act relating to the judicial review of administrative regulations."

The meeting of the Senate Judiciary Committee was called to order by Chairman Rodey at 1:05 P.M. Committee members present were: Senators Rodey, Parr, and Anderson. Senators Bennett and Ray were absent.

003 - Call to order.

010 - Chairman Rodey brought HB 678 before the committee.

025 - Mr. Hutchins testified in support of the bill.

135 - *SENATOR RAY ENTERED THE ROOM*

147 - After brief discussion, Chairman Rodey laid HB 678 on the table.

157 - Chairman Rodey next brought HB 849 before the committee.

160 - Mr. Hutchins again testified in support of this legislation and offered the following amendments: On page 2, Line 5, add "or special" between "regular" and "meeting". On Page 2, Line 24, add "and for a valid corporate purpose" between "time" and ",". Mr. Hutchins also suggested adding a new subparagraph (3) under Sec. 10.25.175., Paragraph (c), to protect the attorney, client privilege.

166 - Senator Ray offered the following amendments: On Page 2, Line 10 add "formal" between the words "No" and "action". On Page 2, Line 11,

169 - Senator Parr offered the following amendment: On Page 2, Line 25 delete [except the names, addresses and accounts of the members].

771 - After discussion of the amendments, Chairman Rodey laid HB 849 on the table and directed staff to prepare a committee substitute.

779 - The next item on the calendar was HB 339.

780 - Representative Metcalfe testifies, giving the intent of his bill.

#### SIDE TWO

989 - Mr. Art Peterson, Assistant Attorney General, testified against HB 339, stating that this legislation would only give more power to the court system instead of the Legislature. Mr. Peterson offered a committee substitute for committee consideration.

244 - Chairman directed Senator Anderson to work as a subcommittee with Mr. Bruce to draft a committee substitute.

340 - Phil Holsforth, testified in favor of HB 339.

410 - Chairman Rodey put HB 339 in subcommittee.

412 - Next Chairman Rodey brought SJR 68 before committee.

518 - After brief discussion, Chairman Rodey laid SJR 68 on the table.

520 - The committee directed Chairman Rodey to return SB 861 and SB 175 to the State Affairs Committee for further work.

525 - Chairman Rodey adjourned the meeting at 2:45 P.M.

February 10, 1982

ALASKA PUBLIC UTILITIES COMMISSION

Comments on Senate Bill No. 701 and House Bill No. 678.

The Commission has been informed by ARECA that the purpose of this legislation is to allow fewer than five members to form a generation and transmission cooperative. The Commission is supportive of this intent.



# Alaska State Legislature

## Senate

Official Business

### Labor & Commerce Committee

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### SB 701:

A generation and transmission cooperative (G&T) is a cooperative which is owned by and supplies wholesale power to other cooperatives which in turn distribute electricity to retail consumers. A G&T could be formed under AS 10.25 as it is except that it would have to be organized by at least 5 member cooperatives as incorporators. The effect of SB 701 is to permit a G&T cooperative to be organized by any number of distribution cooperatives. Even one distribution coop would be able to form a G&T which would then own the generation and transmission facilities to serve that one coop.

Background: In the lower 48, electric cooperatives joined together in groups many years ago to organize G&T's. The G&T's either buy or generate electricity which is then sold to the distribution coops at wholesale. This has not happened in Alaska because most of the coops here are physically separated from each other, and each isolated utility has to generate its own electricity.

Regulations by the Federal Rural Electrification Administration (REA) make it desirable in many cases for generation and transmission facilities to be owned by a G&T even if the G&T only serves one distribution coop. REA requires a distribution coop to maintain a Times Interest Earnings Ratio (TIER) of 1.5. This means that the net earning operating margin has to be at least half as much as the coop pays for interest on its long term debt. A G&T is only required to have a TIER of 1.0, or in other words is only required to break even.

The effect of these REA regulations is to permit lower electric rates to consumers if the distribution coop buys its wholesale power from a G&T instead of generating its own electricity. This really becomes important when the G&T facilities are capital intensive— as in a coal fired or hydroelectric generating plant or a long transmission line.

Conclusion: SB 701 is needed by the electric coops to help keep their electric rates as low as possible.