

Original sponsor: Hayes

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 394 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the federal budget impact fund;
7 and providing for an effective date."

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

9 * Section 1. LEGISLATIVE FINDINGS. The legislature finds that the
10 situation described in sec. 1, ch. 125, SLA 1982 regarding reductions in
11 and uncertainty about federal funding still exists and that it is necessary
12 to extend the federal budget impact fund another year.

13 * Sec. 2. Section 8, ch. 125, SLA 1982 is amended to read:

14 Sec. 8. This Act terminates June 30, 1984 [1983].

15 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
16 10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB 394 (Finance)
 Title Relating to the Federal Budget Impact Fund
 Requested by House Finance Committee Date 6/16/83

II. FISCAL DETAIL

Agency Affected OMB
 Program Category Affected _____
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0				

FUNDING (Thousands of Dollars)

GENERAL FUND		0				
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

No additional funding is necessary to implement this legislation. HB 309 extends the lapse date on funding for the Federal Budget Impact Fund to the end of the fiscal year. Thus, no additional funding is necessary. Currently, about \$4 million remains in the fund.

IV. DATE 6/16/83 PREPARED BY AI Adams, Chair *APA*
 AGENCY House Finance Committee
 Original: Legislative Finance PHONE 465-3706
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

The following individuals may testify on HB 394:

Representative Adelheid Hermann

STATE OF ALASKA
FISCAL NOTE

Revision Date _____, 1983

I. REQUEST

Bill/Resolution No.: SSHB 394
 Title: An Act Relating to Benefits Under PERS
 Sponsor: Representative Hayes
 Requestor: _____

II. FISCAL DETAIL

Agency Affected: Fish & Game
 Program Category Affected: _____
 BRU, Program of Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES		(232.0)	(510.5)	(842.3)	(1235.4)	(1698.7)
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		(232.0)	(510.5)	(842.3)	(1235.4)	(1698.7)
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	(180.3)	(396.7)	(654.5)	(959.9)	(1319.9)
FEDERAL FUNDS	(31.5)	(69.4)	(114.5)	(168.0)	(231.0)
OTHER (Specify Source) (Fish & Game Fund)	(20.2)	(44.4)	(73.3)	(107.5)	(147.8)

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: J.K. Humphreys Director Phone: 465-4460
 Division: Retirement & Benefits Date: 5-5-83
 Approved by Commissioner: Lisa Rudd, Commissioner Date: 5-5-83
 Department: Administration

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

State of Alaska

Fiscal Note

SSHB 394

IV. Analysis: The present value of the projected savings to the State over the next 17 years is \$25 million.

REPRESENTATIVE
ADELHEID HERRMANN
P.O. BOX 63
NAKNEK, ALASKA 99833
(907) 248-4495

While in Juneau
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4942, 465-4943

Alaska State Legislature



House of Representatives

CHAIRMAN
SPECIAL COMMITTEE
ON FISHERIES

MEMBER
TRANSPORTATION
COMMITTEE

Handwritten signatures and initials:
- A large signature, possibly "Herrmann"
- "J. Adams"
- "A. Adams"
- "J. Adams"

DISTRICT 26

- ADAK
- AKUTAN
- ALEKNAGIK
- ATKA
- BELKOFSKI
- CLARK'S POINT
- COLD BAY
- DILLINGHAM
- DUTCH HARBOR
- EGGIK
- EKUK
- EKWOK
- FALSE PASS
- IGIUGIG
- ILIAMNA
- KING COVE
- KING SALMON
- KOKHANOK
- KOLIGANEK
- LEVELOCK
- MANOKOTAK
- NAKNEK
- NELSON LAGOON
- NEWHALEN
- NEW STUYAHOK
- NIKOLSKI
- NONDALTON
- PEDRO BAY
- PILOT POINT
- PORT ALSWORTH
- PORT HEIDEN
- PORT MOLLER
- PORTAGE CREEK
- SAND POINT
- SOUTH NAKNEK
- SQUAW HARBOR
- ST. GEORGE
- ST. PAUL
- TOGIK
- TWIN HILLS
- UGASHIK
- UNALASKA

MEMORANDUM

DATE: March 21, 1983

TO: Rep. Al Adams
FROM: Rep. Adelheid Herrmann
SUBJECT: Continuation of FBIF, FY84

Enclosed is proposed legislation sent to me by Peter McDowell concerning continuation of the Federal Budget Impact Fund. Mr. McDowell sent me the material knowing how interested I am in the FBIF as a possible funding source for the Pribilof Islands.

The communities of St. Paul and St. George currently have 7 grant applications on file for FBIF funding. As you are aware, the federal government intends to cease all support on the islands as of the end of this federal fiscal year (September 83). Considering the fact that the federal government has been the islands' sole employer and has provided numerous community subsidies, this constitutes quite an impact. Many felt that the FBIF was a likely source of state relief.

Because of the way the FBIF is defined, only projects which have already received cuts are eligible. Unless the fund is extended for another fiscal year, the Pribilof projects will not be eligible.

Al, I'm looking at every possible source of money for the Pribilofs. So far people from DOT, DCRA, DCED, and the Governor's Office have met with Senator Mulcahy and me to discuss the problem. Extending the Federal Budget Impact Fund is one alternative I in particular have stressed because so much needs to be done besides harbor development.

I'd appreciate it if the Finance Committee would introduce this legislation. With your support demonstrated in this way, I feel the measure would have a greater chance of passing.

Thank you for your time and consideration. Let's talk about this when you get a chance.

MEMORANDUM

State of Alaska

TO: Emil Notti
Legislative Assistant
Governor's Office

DATE: March 11, 1983

FILE NO: 377-087-83

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Attached draft bill
extending federal
budget impact fund

By: Arthur H. Peterson *AHP*
Assistant Attorney General

As requested by OMB Director Peter McDowell, and initially approved by the Legislation/Budget Review Committee March 10, 1983, attached is a draft bill extending the federal budget impact fund until June 30, 1984. For which house should the final be prepared?

The bill does not change the procedures for use of the money in the fund, nor does it change the \$20,000,000 limit on the amount that may be in the fund (a provision which would not prevent the legislature from appropriating more to the fund anyway). For your convenience, I am attaching a copy of our June 15, 1982 bill review letter on the Twelfth Legislature's CSHB 876 -- the bill that established the fund last year.

Also attached is a draft transmittal letter to the legislature.

AHP:md

cc w/enc.: Peter McDowell, Director
Office of Management & Budget

OFFICE OF
MANAGEMENT & BUDGET

MAR 15 1983

DIRECTOR

June 15, 1982

Honorable Jay S. Hammond
Governor
State of Alaska
Pouch A
Juneau, AK 99811

Re: CCSHB 876 -- establishing a
federal budget impact fund
Our file: 388-127-82

Dear Governor Hammond:

At your request, we have reviewed CCSHB 876, a bill establishing a federal budget impact fund to be effective during fiscal year 1983. From money appropriated to the fund, the governor may authorize expenditures to state agencies, municipalities, nonprofit corporations, and unincorporated communities to offset the effects of federal budget reductions.

The bill provides for review of the governor's proposed expenditures by designated representatives of the legislature. The proposals must be submitted within 30 days after the effective date of the bill and the legislative recommendations must be returned to the governor within 30 days after he submits the proposals. The bill will be effective immediately upon becoming law. We see no problem with the separation of powers in this context since the legislative representatives are acting in a purely advisory capacity. Cf., People v. Tremaine, 21 N.E.2d 891 (NY 1929). Furthermore, the legislative review requirement applies only to those expenditures proposed within 30 days after the effective date of this bill. If federal budget reductions prompt program needs later in the fiscal year, and the fund contains an unencumbered balance, the governor may authorize expenditures without going through the legislative review process.

There is a legal question as to the scope of discretion for spending decisions which may be delegated by the legislature to the executive branch. Although it has not ruled directly on this issue, the Alaska Supreme Court has upheld delegations of legislative authority in other contexts. Northern Lights Motel v. Sweaney, 561 P.2d 1176 (Alaska 1977); DeArmand v. Ak. State Development Corp., 376 P.2d 717 (Alaska

Honorable Jay S. Hammond
Governor

June 15, 1982
Page #2

1962). We believe that the bill provides sufficient guidelines limiting the discretion of the governor to avoid any problem of excessive delegation of legislative power. Cf., Hopkins v. Ford, 534 S.W.2d 792 (Ky. 1976) (upholding an Act authorizing governor to appropriate amounts of surplus to state agencies for certain purposes as a valid delegation of legislative power).

We see no significant constitutional or legal problems with the bill.

Yours truly,

Wilson L. Condon
Attorney General

WLC:pjg:LLD

D R A F T

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill extending the federal budget impact fund one year. Federal budget reductions will continue to affect the state adversely, and uncertainty as to their amount and full effect will continue after the adjournment of the First Session of the Thirteenth Alaska State Legislature. Therefore, as the legislature and the governor did last year, it is necessary to plan ahead by using this method of providing for various contingencies.

Sincerely,

Bill Sheffield
Governor

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF ADMINISTRATION

POUCH C (MS 0200)
JUNEAU, ALASKA 99811
PHONE: (907) 465-2200

OFFICE OF THE COMMISSIONER

(907) 465-2200

May 13, 1983

Honorable Ramona Barnes
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Barnes:

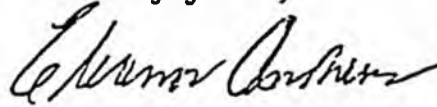
This is in reply to your letter of May 1 regarding peace officer retirement for employees of the Department of Fish and Game.

As you know, two bills (SB 277 and HB 394) have been introduced this session which would foreclose peace officer coverage for future fish and game employees. The Sheffield administration strongly supports these bills and feels that we should close the door on special retirement coverage on the basis of hazardous duty, regardless of the degree of exposure. Hazard pay which is negotiated and monitored continuously along with insurance coverage addresses this situation more appropriately than early retirement with an inducement to leave state service.

The Department of Administration intends to amend the regulation if the legislature does not pass a bill which settles the question. However, even if standards under the regulation were raised drastically it would still leave the question of applying those standards to employees in other departments and granting peace officer coverage in new areas.

I appreciate your concern and ask that you support the bills introduced by Representative Hayes and Senator Kerttula.

Sincerely yours,


for
Lisa Rudd
Commissioner

LR/jb

cc: Representative Joe Hayes
Speaker of the House

SSHB 394

Position Paper

SSHB 394

The Department of Administration strongly supports this bill. It represents an important first step in cost containment in the PERS.

In the mid-70's the law was amended to expand eligibility for Peace Officer/Fireman retirement coverage to include certain employees in the Departments of Fish and Game and Health and Social Services. This bill would restrict peace officer coverage to those "qualified employees of the Department of Fish and Game," who currently have that status and place newly hired individuals in regular PERS coverage. We do not believe it is appropriate to compensate employees for hazards that may be undergone on the job by providing them this expensive retirement coverage.

J.K. Humphreys
J.K. Humphreys, Director, Division of Retirement & Benefits

5/5/83
Date

Lisa Rudd
Lisa Rudd, Commissioner, Department of Administration

5/5/83
Date

Introduced: 5/4/83
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY HAYES

2

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 394

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to benefits under the public employees' retirement system; and providing for an effective date."

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

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* Section 1. AS 39.35 is amended by adding a new section to read:

11

Sec. 39.35.527. ELECTION TO TERMINATE COVERAGE AS A PEACE OFFICER OR FIREMAN.

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(a) Any active member may elect to irrevocably relinquish peace officer or fireman status with the system and to retain all credited service as if it had been acquired as a member other than a peace officer or fireman.

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(b) In order to relinquish peace officer or fireman status with the system, a person must be an active member and must file a written request with the administrator by July 1, 1984, or within six months after employment as a peace officer or fireman, whichever occurs later. No person has more than one opportunity to exercise this option.

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(c) As soon as possible after the relinquishment, the administrator shall refund to a person who relinquishes peace officer or fireman status under this section a refund equal to the amount by which the balance of the person's accumulated mandatory contributions plus interest exceeds the balance which would exist if all service credit had been acquired as a member other than a peace officer or fireman.

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(d) A written request to relinquish peace officer or fireman

1 status is irrevocable upon filing with the administrator.

2 * Sec. 2. AS 39.35.680(27) is amended to read:

3 (27) "peace officer" or "fireman" means an employee occupy-
4 ing a position as a peace officer, chief of police, correctional
5 officer, correctional superintendent, [QUALIFIED EMPLOYEE OF THE DE-
6 PARTMENT OF FISH AND GAME,] fireman, or fire chief;

7 * Sec. 3. AS 39.35.680(32) is repealed.

8 * Sec. 4. A person holding a position as a "qualified employee of the
9 Department of Fish and Game" on June 30, 1983, continues to accrue service
10 credit as a peace officer under AS 39.35 until

11 (1) that person's employment is terminated with the Department
12 of Fish and Game; or

13 (2) that person elects to irrevocably relinquish peace officer
14 status under AS 39.35.527.

15 * Sec. 5. A person who has not elected to relinquish peace officer
16 status under AS 39.35.527 retains all accrued credit as a peace officer for
17 retirement purposes and accrues retirement credit if employed as a peace
18 officer under AS 39.35.680(27) after June 30, 1983.

19 * Sec. 6. This Act takes effect July 1, 1983.