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AS24.20.445 DOCUMENT

CHAPTER = 24.20

SECTION = 24.20.445

TITLE = 24

HEADINGS TITLE 24.

Legislature.

CHAPTER 20.

Agencies of the Legislature.

ARTICLE 3.

Administrative Regulation Review Committee.

CITATION Sec. 24.20.445.

CATCH LINE

POWER OF SUSPENSION.

TEXT

(a) When the legislature is not in session, the Administrative Regulation Review Committee may by an affirmative vote of not less than two-thirds of the members of the committee suspend the effectiveness of the adoption of or amendment to a regulation adopted after adjournment of the previous regular session of the legislature, until 30 days after the legislature reconvenes.

(b) The effectiveness of an adoption or amendment of a regulation is suspended on the date a resolution of the Administrative Regulation Review Committee resolving that the regulation be suspended is filed with the lieutenant governor. If an adoption of or amendment to a regulation is not effective on the date a resolution is filed with the lieutenant governor, the effectiveness of the adoption or amendment which is the subject of the committee's resolution is suspended from the date the adoption or amendment would otherwise become effective under AS 44.62.180.

(c) Action under (a) of this section may not be undertaken unless all interested parties are afforded an opportunity to be heard at a hearing held upon 15 days' notice to those parties.

(d) The provisions of this section do not apply to emergency regulations.

HISTORY (Secs. 1, 2 ch 3 SLA 1978; am sec. 2 ch 1 SLA 1982)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS24.20.460 DOCUMENT

CHAPTER = 24.20

SECTION = 24.20.460

TITLE = 24

HEADINGS TITLE 24.

Legislature.

CHAPTER 20.

Agencies of the Legislature.

ARTICLE 3.

Administrative Regulation Review Committee.

CITATION Sec. 24.20.460.

CATCH LINE

POWERS.

TEXT The Administrative Regulation Review Committee has the following powers:

(1) to organize and adopt rules for the conduct of its business;

(2) to hold public hearings;

(3) to require all state officials and agencies of state government to give full cooperation to the committee or its staff in assembling and furnishing requested information;

(4) to examine all administrative regulations to determine if they properly implement legislative intent;

(5) to make recommendations for legislative annulment of administrative regulations under AS 44.62.320;

(6) to prepare and distribute reports, memoranda, or other materials;

(7) to promote needed revision or repeal of regulations that have been adopted by state departments and agencies and, when the committee determines a regulation should be repealed or amended, to introduce a bill that would enact a statute that would supersede or nullify the regulation;

(8) to investigate findings that are transmitted to the committee by a standing committee in accordance with AS 24.05.182 and, as appropriate, to either introduce a bill annulling the regulation or exercise the committee's power to suspend the effectiveness of the regulation in accordance with AS 24.20.445.

HISTORY (Sec. 1 ch 27 SLA 1975; am sec. 3 ch 1 SLA 1982)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS44.62.180 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.180

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 4.

Procedure for Adopting Regulations.

CITATION Sec. 44.62.180.

CATCH LINE

EFFECTIVE DATE.

TEXT

A regulation or an order of repeal filed by the lieutenant governor becomes effective on the 30th day after the date of filing unless

(1) otherwise specifically provided by the statute under which the regulation or order of repeal is adopted, in which event it becomes effective on the day prescribed by the statute;

(2) it is a regulation prescribing the organization or procedure of an agency, in which event it becomes effective upon filing by the lieutenant governor or upon a later date specified by the state agency in a written instrument submitted with, or as part of, the regulation or order of repeal;

(3) it is an emergency regulation or order of repeal adopted under AS 44.62.250, in which case the finding and the statement of the facts constituting the emergency shall be submitted to the lieutenant governor, together with the emergency regulation or order of repeal, which, in that event only, becomes effective upon filing by the lieutenant governor or upon a later date specified by the state agency in a written instrument submitted with, or as part of, the regulation or order of repeal;

(4) a later date is prescribed by the state agency in a written instrument submitted with, or as part of, the regulation or order of repeal.

HISTORY (Sec. 3 art IV (ch 1) ch 143 SLA 1959; am sec. 7 ch 40 SLA 1969)

RO601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS44.62.190 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.190

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 4.

Procedure for Adopting Regulations.

CITATION Sec. 44.62.190.

CATCH LINE

NOTICE OF PROPOSED ACTION.

TEXT

- (a) At least 30 days before the adoption, amendment, or repeal of a regulation, notice of the proposed action shall be
- (1) published in the newspaper of general circulation, or trade or industry publication, that the state agency prescribes and in the Alaska Administrative Journal;
 - (2) mailed to every person who has filed a request for notice of proposed action with the state agency;
 - (3) if the agency is within a department, mailed or delivered to the commissioner of the department;
 - (4) when appropriate in the judgment of the agency,
 - (A) mailed to a person or group of persons whom the agency believes is interested in the proposed action, and
 - (B) published in the additional form and manner the state agency prescribes;
 - (5) furnished the Department of Law together with a copy of the proposed regulation, amendment, or order of repeal for the department's use in preparing the opinion required after adoption and before filing by AS 44.62.060;
 - (6) furnished to all incumbent State of Alaska legislators and the Legislative Affairs Agency;
 - (7) furnished to the standing committee of each house of the legislature having legislative jurisdiction over the subject matter treated by the regulation under the Uniform Rules of the Alaska State Legislature, together with a copy of the proposed regulation, amendment, or order of repeal for the committee's use in conducting the review authorized by AS 24.05.182;
 - (8) furnished to the staff of the Administrative Regulation Review Committee.
- (b) If the form or manner of notice is prescribed by statute, in addition to the requirements of filing and mailing notice under this chapter, the notice shall be published, posted, mailed, filed or otherwise publicized as prescribed by the statute.
- (c) The failure to mail notice to a person as provided in this section does not invalidate an action taken by an agency under AS 44.62.180 - 44.62.290. (5 art IV (ch 1) ch 143 SLA 1959; am sec. 2 ch 149 SLA 1962; am sec. 1 ch 3 SLA 1968; am sec. 16 ch 143 SLA 1968; am sec. 4 ch 64 SLA 1978; am sec. 5 ch 1 SLA 1982; am sec. 3 ch 59 SLA 1985)

AS44.62.195 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.195

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 4.

Procedure for Adopting Regulations.

CITATION Sec. 44.62.195.

CATCH LINE

FISCAL NOTES ON REGULATIONS.

TEXT

If the adoption, amendment, or repeal of a regulation would require increased appropriations by the state, the department or agency affected shall prepare an estimate of the appropriation increase for the fiscal year following adoption, amendment, or repeal of the regulation and for at least two succeeding fiscal years.

HISTORY (Sec. 1 ch 16 SLA 1980)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS44.62.200 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.200

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 4.

Procedure for Adopting Regulations.

CITATION Sec. 44.62.200.

CATCH LINE

CONTENTS OF NOTICE.

TEXT

(a) The notice of proposed adoption, amendment, or repeal of a regulation shall include

(1) a statement of the time, place, and nature of proceedings for adoption, amendment, or repeal of the regulation;

(2) reference to the authority under which the regulation is proposed and a reference to the particular code section or other provisions of law which are being implemented, interpreted, or made specific;

(3) an informative summary of the proposed subject of agency action;

(4) other matters prescribed by a statute applicable to the specific agency or to the specific regulation or class of regulations;

(5) a summary of the fiscal information required to be prepared under AS 44.62.195.

(b) A regulation which is adopted, amended or repealed may

vary in content from the summary specified in (a)(3) of this section if the subject matter of the regulation remains the same and the original notice was written so as to assure that members of the public are reasonably notified of the proposed subject of agency action in order for them to determine whether their interests could be affected by agency action on that subject.

(c) An agency that issues a notice under this section shall assure that the notice is prepared in a form adequate for publication in the Alaska Administrative Journal.

HISTORY (Sec. 6 art IV (ch 1) ch 143 SLA 1959; am sec. 1 ch 185 SLA 1970; am sec. 2 ch 16 SLA 1980; am sec. 4 ch 59 SLA 1985)

RO601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS44.62.640 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.640

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 9.

General Provisions.

CITATION Sec. 44.62.640.

CATCH LINE

DEFINITIONS.

TEXT (a) In AS 44.62.010 - 44.62.320, unless the context otherwise requires,

(1) "lieutenant governor" means the office of the lieutenant governor in the executive branch of the state government, or another agency designated by executive order under the constitution;

(2) "order of repeal" means a resolution, order or other official act of a state agency which expressly repeals a regulation in whole or in part;

(3) "regulation" means every rule, regulation, order, or standard of general application or the amendment, supplement or revision of a rule, regulation, order or standard adopted by a state agency to implement, interpret, or make specific the law enforced or administered by it, or to govern its procedure, except one which relates only to the internal management of a state agency; "regulation" does not include a form prescribed by a state agency or instructions relating to the use of the form, but this provision is not a limitation upon a requirement that a regulation be adopted under this chapter when one is needed to implement the law under which the form is issued; "regulation" includes "manuals," "policies," "instructions," "guides to enforcement," "interpretative bulletins," "interpretations," and the like, which have the effect of rules, orders, regulations or standards of general application, and this and similar phraseology shall not be used to avoid or circumvent this chapter; whether a regulation, regardless of name, is

covered by this chapter depends in part on whether it affects the public or is used by the agency in dealing with the public;

(4) "state agency" means a department, office, agency, or other organizational unit of the executive branch, except one expressly excluded by law, but does not include an agency in the judicial or legislative branches of the state government.

(b) In AS 44.62.330 - 44.62.630, unless the context otherwise requires,

(1) "agency" includes the state boards, commissions and officers listed in AS 44.62.330 and those to which this chapter is made applicable by law or executive order involving reorganization under the constitution;

(2) "agency member" means a person who is a member of an agency to which AS 44.62.330 - 44.62.630 apply, and includes a person who individually is an agency;

(3) "hearing officer" means a hearing officer qualified under AS 44.62.350;

(4) "party" includes the agency, the respondent, and a person, other than an officer or an employee of the agency in an official capacity, who has been allowed to appear in the proceeding;

(5) "respondent" means a person against whom an accusation is filed under AS 44.62.360 or against whom a statement of issues is filed under AS 44.62.370.

(c) In this chapter "teleconferencing" means information exchange by audio or video medium.

HISTORY (Sec. 2, 3 art I (ch 1) ch 143 SLA 1959; sec. 1 (ch 2) ch 143 SLA 1959; am sec. 78 ch 69 SLA 1970; am sec. 8 ch 54 SLA 1985)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: 4/8/86

REQUEST

Bill/Resolution No.: SB 429
Title: An Act relating to regulations

Sponsor: Senator Fahrenkamp
Requestor: Senate Labor and Commerce
Date of Request: 4/3/86

FISCAL DETAIL

Agency Affected: Natural Resources
BRU: Management and Administration

Components: _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		44.4	44.4	44.4	44.4	44.4
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		44.4	44.4	44.4	44.4	44.4

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		44.4	44.4	44.4	44.4	44.4
FEDERAL FUNDS						
OTHER						
TOTAL		44.4	44.4	44.4	44.4	44.4

POSITIONS :

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

An Administrative Assistant III position would be established to coordinate the regulation adoption requirements.

Prepared by: David Creekman Phone: 561-2020
Division: Office of the Commissioner Date: 4/8/86

Approved by Commissioner: M. D. Samuel, Deputy Date: 4/9/86
Agency: Natural Resources

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No.: SB 429
 Title: "An Act relating to regulations that affect small businesses..."
 Sponsor: Sen. Farenkamp
 Requestor: Governor's Office/OMB
 Date of Request: April 3, 1986

FISCAL DETAIL

Agency Affected: Department of Law
 BRU: Legal Services
 Components: Legal Services Operations

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

-Please see attached analysis. -

Prepared by: Richard I. Pegues, Director Phone: 465-3672
 Division: Administrative Services Division Date: 4/4/86
 Approved by Commissioner: Harold M. Brown Date: 4/4/86
 Agency: Department of Law

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

This bill adds new sections to the Administrative Procedure Act that require that agencies adopting regulations, under the Act, consider the probable economic effect of the proposed action on small businesses and small municipalities. Although these changes may cause a fiscal impact for several departments, the Department of Law adopts few regulations of its own, and the bill will probably not have a direct fiscal impact on the department. The department does, however, review all regulations prior to their adoption, and it sometimes assists other departments in drafting their regulations. To the extent that we are requested to advise other agencies about the sufficiency of their efforts to conform to the economic analysis provisions in this bill, we can expect innumerable requests for advice. These requests will probably result in our regulations and legislative drafting staff becoming more swamped than they already are.

Because we cannot accurately predict the additional workload that will occur if this bill becomes law, we are not requesting fiscal note funds at this time. Such a request may become necessary in the future, and the potential for this additional cost should be noted while the bill is being considered.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 429
 Title : Regulations affecting small businesses, et al.
 Sponsor : Senator Fahrenkamp
 Requestor : Senators Fahrenkamp & Zharoff
 Date of Request : 3/24/86

FISCAL DETAIL

Agency Affected : ADEC
 BRU : Environmental Quality
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		72.7	73.0	73.3	73.6	73.9
TRAVEL		1.5	1.5	1.5	1.5	1.5
CONTRACTUAL		5.0	3.0	3.0	3.0	3.0
SUPPLIES		1.5	1.6	1.7	1.8	1.9
EQUIPMENT		3.6	.5	.5	.5	.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		84.3	79.6	80.0	80.4	80.8

CAPITAL						
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REVENUE						
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FUNDING (Thousands of Dollars)

GENERAL FUND		84.3	79.6	80.0	80.4	80.8
FEDERAL FUNDS						
OTHER						
TOTAL		84.3	79.6	80.0	80.4	80.8

POSITIONS :

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached

Prepared by : Billie Trent Phone : 465-2600
 Division : Office of the Commissioner Date : 3/27/86

Approved by Commissioner : Bill Ross *Bill Ross* Date : 3/28/86
 Agency : Environmental Conservation

Distribution (by Agency preparing fiscal note) :
 Legislative Finance
 Legislative Sponsor
 Requestor

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

While the Department of Environmental Conservation certainly supports and encourages the concept of responsiveness of government to the public it serves, the ability to do so will (for this legislation, at least) require the hiring of a Research Analyst III and a half-time Clerk Typist III. We also envision the need for minimal contractual services when proposed regulatory changes involve complex matters affecting a diverse population.

We would point out that many of our regulations have federal mandates behind them, requiring federal approval before promulgation. If such regulations were excluded from the requirements of AS 44.63.020 and AS 44.63.030 (although AS 44.63.030(a)(1) and (2) represent theories of responsible rule-making which we support), we could reduce our fiscal note to a half-time Research Analyst III with minimal contractual services.

Position Title Research Analyst III		No. of Positions 1		Range/Step 18A		Barg. Unit CGU		Govt. L-2		Disapp.	
Time Status PFT		Staff Months 12		Location Juneau		Election District					
RP Number											

Justification

Because of the complex nature of this agency's programs, and the wide variety of entities and individuals served and affected, this position's expertise would be required to provide the various analyses and reports and summaries required by the legislation.

This position would coordinate data from staff who write regulations, from affected entities, and from other appropriate sources, analyzing impact and making recommendations to staff; preparing required analyses, documents, and notices, with staff input and evaluations as to correlation between data, federal requirements, and the like.

For more complex matters, this position would work closely with an economics-type contractor to achieve the provisions of the law.

Costs associated with this position include average per-employee costs for contractual and commodities. Equipment expense for a desk, chair, etc. are a one-time expenditure.

Type of Expenditure	Amount
1	3
Salary	37,596
Benefits	12,324
Premium Pay	
Other	
Total Personal Services	49,920
Travel	1,500
Contractual	2,000
Commodities	1,000
Equipment	2,000
Other	
Total Cost	56,420

Receipt Code	Funding Source	Amount
	Federal Receipts 1002	
	G. F. Match 1003	
	General Funds 1004	56,420
	I-A Receipts 1005	
	Program Receipts 1028	
	CIP Receipts 1061	
	Other	

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Key Number

Request For New Position

Agency Environmental Conservation
BRU
Component Environmental Quality

Page 3 of 4
Revised Date

FY 87

Position Title Clerk Typist III		No. of Positions 1		Range/Step 8A		B&M Unit Election District		Gov. L-3		Approv. Duseppi	
Time Status Half-time		Staff Months 6		RP Number							
Location Juneau		Justification									

This position would provide clerical support to the Research Analyst III and regulations-writing staff in handling the clerical duties imposed by this legislation, including maintenance of the records accumulated.

Costs associated with this position are average per-employee costs. The equipment expense for a desk, chair, etc. is a one-time expenditure.

Type of Expenditure	Amount
1	3
Salary	10,153
Benefits	3,851
Premium Pay	
Other	
Total Personal Services	14,004
Travel	
Contractual	2,000
Commodities	1,000
Equipment	1,600
Other	
Total Cost	18,604

Receipt Code	Funding Source
	Federal Receipts 1002
	G. F. Match 1003
	General Funds 1004
	I-A Receipts 1005
	Program Receipts 1028
	CIP Receipts 1061
	Other
	18,604

For B&M Use Only
Key Number

**Request For
New Position**

Agency BRU
Component

Environmental Conservation
Environmental Quality

Page 4 of 4
Revised Date

FY 87

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: SB - 429
 Title: ...regulations that affect...
 small governmental jurisdictions...
 Sponsor: Fahrenkamp
 Requestor: Senate Labor and Commerce
 Date of Request: March 25, 1986

FISCAL DETAIL

Agency Affected: Department of Education
 BRU: Executive Administration
 Components: Commissioner's Office

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		33.6	33.6	33.6	33.6	33.6
TRAVEL		3.0	3.0	3.0	3.0	3.0
CONTRACTUAL		5.0	5.0	5.0	5.0	5.0
SUPPLIES		5.0	5.0	5.0	5.0	5.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		46.6	46.6	46.6	46.6	46.6

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		46.6	46.6	46.6	46.6	46.6
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Personnel costs are a result of administrative activities required by first section 2. These will require the addition of an administrative assistant. Nonpersonnel costs are a result of increased number of publications and public hearings.

Prepared by: Steve Hole
 Division: Commissioner's Office

Phone: 465-2800
 Date: March 27, 1986

Approved by Commissioner: Marshall L. Lind
 Agency: Department of Education

Date: March 27, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 429
 Title : An act relating to regulations that effect small businesses; small organizations, etc.
 Sponsor : Fahrenkamp
 Requestor : Senate Labor & Commerce
 Date of Request : 2/18/86

FISCAL DETAIL

Agency Affected : Labor
 BRU : Commissioner's Office
 Components : Commissioner's Office

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		72.4	72.4	72.4	72.4	72.4
TRAVEL						
CONTRACTUAL SUPPLIES		34.0	34.2	34.3	34.5	34.7
EQUIPMENT		1.5	1.6	1.6	1.7	1.8
LAND & STRUCTURES		3.2	-	-	-	-
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		111.1	108.2	108.3	108.6	108.9

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		111.1	108.2	108.3	108.6	108.9
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		2	2	2	2	2
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

(See Attached)

Prepared by : B Eileen Plate
 Division : Commissioner's Office

Phone : 465-2700
 Date : 3/28/86

Approved by Commissioner : B Jim Robison
 Agency : Labor

Date : 3/28/86

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

In order for the department to comply with the provisions of SB 429, the addition of two staff members would be necessary. A Regulations Specialist II and a Clerk Typist III, both located in Juneau, would be necessary for the additional research, analyses and documentation required by the bill. (See attached New Position Justification Forms for detail).

More specifically, the Regulation Specialist would be responsible for developing the Department's agenda of proposed regulations twice yearly, and for the review of departmental regulations before July 1, 1991. Also, this position would be responsible for coordinating with consulting firms to prepare the initial "flexibility analysis" on all proposed regulations. Expertise does not currently exist in the department to complete this type of analysis. We estimate \$30,000 in contracts would be required each year. The Regulations Specialist would be able to prepare the final analysis.

Also required is additional published information when notices of regulations are placed in newspapers. We estimate an addition of \$6,000 in advertising expenses each year to meet these requirements.

Assumptions:

1. The department would have 10 regulation proceedings a year that would fall under the requirements of this bill.
2. Effective date of July 1, 1986.
3. Annual inflation of 4% on non-personal service items.

Position Title Regulations Specialist II	Staff Months 12	RP Number	No. of Positions 1	Range/Step 10A	Base Unit GGU	Gov. L&B	Approv.	Disappr.
Time Status PFT			Location Juneau	Election District				

Justification

This position would be responsible for coordinating the department's activity in meeting the requirements of this bill. The person would review all proposed regulations to determine if they are justified and develop 1) the agenda of proposed regulations twice yearly and 2) a plan for periodic review of the Department's regulation as required under this bill. The position would contract with consulting firms for the completion of the initial "flexibility analysis". This position would complete the final "flexibility analysis".

Costs associated with this position would include average per-employee costs for contractual and commodities. The equipment expense for a desk, chair, etc. would be a one-time cost.

Type of Expenditure	Amount
1	3
Salary	33,660
Benefits	10,775
Premium Pay	
Other	
Total Personal Services	44,436
Travel	0
Contractual	2,000
Commodities	500
Equipment	1,600
Other	
Total Cost	48,535

Receipt Code	Funding Source
	Federal Receipts 1002
	G. F. Match 1003
	General Funds 1004
	I-A Receipts 1005
	Program Receipts 1028
	CIP Receipts 1061
	Other
	48,535

For B&M Use Only
Key Number

Request For New Position

Agency Labor
BRU Commissioner's Office
Component Commissioner's Office

Position Title Clerk Typist III		No. of Positions 1		Range/Step 8A		Barg. Unit GGU		Gov. LCS		Disapp.	
Time Status PFT		Staff Months 12		Election District							
Location Juneau		Justification									

This position would handle the clerical duties associated with this bill. The position would keep records of all proposed actions on all regulations in the department and assure the additional documentation requirements of this bill are met. This person would make sure all correspondence was properly handled and type the justifications, file logs and other required documents.

Costs associated with this position are average per employee costs. The equipment expense for a desk, chair, cabinets, etc. would be a one-time cost.

Type of Expenditure	Amount	RP Number
1	3	
Salary	20,316	2
Benefits	7,702	
Premium Pay		
Other		
Total Personal Services	28,018	
Travel	0	
Contractual	2,000	
Commodities	1,000	
Equipment	1,600	
Other		
Total Cost	32,618	

Receipt Code	Funding Source	Amount
	Federal Receipts 1002	
	G. F. Match 1003	
	General Funds 1004	32,618
	I-A Receipts 1005	
	Program Receipts 1028	
	CIP Receipts 1061	
	Other	

For B&M Use Only
Key Number

Request For New Position

Agency: Labor
 BRU
 Commissioner's Office
 Component: Commissioner's Office

FY 87

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: "An Act relating to regulations that effect small businesses."

Sponsor: Senator Fahrenkamp
 Requester: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.
 BRU: Real Estate Commission

Components: Economic Development

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		42.0	43.5	22.5	23.5	23.5
TRAVEL		4.0	4.0	3.0	3.0	3.0
CONTRACTUAL		3.0	3.0	1.5	1.5	1.5
SUPPLIES		1.0	1.0	1.0	1.0	1.0
EQUIPMENT		5.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		55.0	51.5	28.0	29.0	29.0

CAPITAL		-0-	-0-	-0-	-0-	-0-
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REVENUE		-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND		55.0	51.5	28.0	29.0	29.0
FEDERAL FUNDS		-0-	-0-	-0-	-0-	-0-
OTHER		-0-	-0-	-0-	-0-	-0-
TOTAL		55.0	51.5	28.0	29.0	29.0

POSITIONS:

FULL-TIME		1	1	-0-	-0-	-0-
PART-TIME		-0-	-0-	1	1	1
TEMPORARY		-0-	-0-	-0-	-0-	-0-

ANALYSIS: Attach a separate page if necessary.

To comply with this act and enact the regulations needed, the commission would require a full-time regulations specialist for the first two years and then at least a half-time regulations specialist for the years after that. The act would add enormously to the paperwork burden in producing regulations.

Prepared by: James L. Magowan
 Division: Real Estate Commission

Phone: 563-2169

Date: March 19, 1986

Approved by Commissioner: *Louis S. Lumsden*
 Agency: _____

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: An Act relating to regulations that affect small businesses, small organizations, and small gov. juris.
 Sponsor: Senator Fahrenkamp
 Requester: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Economic Dev.
 BRU: Occupational Licensing

 Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		-0-	-0-	-0-	-0-	-0-
TRAVEL		-0-	-0-	-0-	-0-	-0-
CONTRACTUAL		20.9	20.9*	20.9*	20.9*	20.9*
SUPPLIES		-0-	-0-	-0-	-0-	-0-
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		20.9	20.9*	20.9*	20.9*	20.9*

CAPITAL						
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REVENUE		-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND		20.9	20.9	20.9	20.9	20.9
FEDERAL FUNDS						
OTHER						
TOTAL		20.9	20.9	20.9	20.9	20.9

POSITIONS:

FULLTIME		-0-	-0-	-0-	-0-	-0-
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

The bill adds four new requirements to the process of adopting regulations to ensure special consideration that notices and public hearings are given to small entities.

Although Section 44.63.200(a) of the bill provides each agency with the flexibility to amend the definition of "small business" or "small organization" as appropriate (see attached)

Prepared by: Jennifer Strickler Management Analyst
 Division: Occupational Licensing

Phone: 465-2144

Date: 3-19-86

Approved by Commissioner: [Signature]
 Agency: Commerce and Economic Development

Date: 3-20-86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

to the activities of the agency, Occupational Licensing has no method to differentiate small versus large businesses currently licensed.

Contractual expenditures will result from printing, postage and hearing costs of providing direct notification to all licensees within each professional occupation which has the potential of including "small entities".

*Costs have been repeated in subsequent years since, without actually experiencing the impact of this bill, it is extremely difficult to predict future charges for the variables involved.

It is expected that this legislation will delay the length of processing time currently required for each individual regulation project from approximately six months to nine months.

In addition, to comply with provisions to be included in each notice, much of the attention of the Regulations Specialist would be devoted to satisfying these new requirements.

The Division assists in the regulatory process of 23 licensing areas including regulations promulgated under the Centralized Licensing Act. During each year, approximately 20 regulation topics are handled within each licensing occupation.

Therefore, having to prepare an initial flexibility analysis, final flexibility analysis and conduct periodic review of regulations, in addition to the initial review of all existing regulations before 1991, may require a new Regulations Specialist position in the future to keep up with the increased workload.

Contractual costs were based on:

- | | |
|--|--------|
| 1. Printing costs at .36¢ per document multiplied by the number of affected licensees within each occupation; | \$ 8.7 |
| 2. Postage costs of .22¢ multiplied by the number of affected licensees; | 5.3 |
| 3. Public Notice costs printed in three newspapers of general circulation, which is standard practice within this agency; | 2.1 |
| 4. Public Hearing costs using the teleconference network based on the standard two hour hearing at \$50 per site, per hour, and assuming that the sites of Anchorage, Fairbanks and Juneau are on the network; | 4.8* |

\$20.9

*Note: Hearing costs for 4 licensing areas were based on a one hour teleconference because of the small number of licensees affected.

The above calculation is a summary of more detailed calculations on file with this agency.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: An Act relating to regulations that effect small businesses

FISCAL DETAIL

Agency Affected: Commerce and Economic Dev.
 BRU: Banking and Securities

Sponsor: Fahrenkamp
 Requester: _____
 Date of Request: _____

Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Prepared by: Willis Kirkpatrick Phone: 465-2521
 Division: Division of Banking, Securities and Corporations Date: March 21, 1986
 Approved by Commissioner: *Donald S. Cronstony* Date: March 21, 1986
 Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

FISCAL DETAIL

Bill/Resolution No.: SB 429 Agency Affected: Oil & Gas Conservation Comm.
 Title: An Act relating to regulations that affect small businesses, small organizations, and small governmental jurisdictions BRU: Oil & Gas Conservation
 Sponsor: Senator Fahrenkamp Components: Operations
 Requester: _____
 Date of Request: March 17, 1986

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Prepared by: C.V. Chatterton
 Division: Oil & Gas Conservation Commission

Phone: 279-1433
 Date: March 19, 1986

Approved by Commissioner: *Louise L. Lounsbury*
 Agency: _____

Date: 3/21/86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST	FISCAL DETAIL
Bill/Resolution No.: <u>SB 429</u>	Agency Affected: <u>Commerce & Econ. Dev.</u>
Title: <u>"An Act relating to regulations providing for an effective date."</u>	BRU: <u>Division of Investments</u>
Sponsor: <u>Senator Fahrenkamp</u>	Components: <u>Economic Development</u>
Requester: _____	_____
Date of Request: _____	_____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		7.0	0.5	0.5	0.5	0.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		7.0	0.5	0.5	0.5	0.5

CAPITAL		-0-	-0-	-0-	-0-	-0-
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REVENUE		-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND		7.0	0.5	0.5	0.5	0.5
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULLTIME		-0-	-0-	-0-	-0-	-0-
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

To satisfy the requirement that all existing regulations (12 loan programs) be reviewed and analyzed, a one-month professional services contract at \$5,000 will be let in FY 87. Advertising, printing, and mailing costs are estimated at \$2,000 for the initial review in FY 87 and \$500 for new regulations and changes in succeeding years.

Prepared by: Paul B. Arnoldt
 Division: Division of Investments

Phone: 465-2510
 Date: March 19, 1986

Approved by Commissioner: Loren S. Lounsbury
 Agency: Commerce and Economic Development

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

FISCAL DETAIL

Bill/Resolution No.: SB 429
 Title: Relating to regulations that affect small business, small organizations and small governmental, etc.
 Sponsor: Senator Fahrenkamp
 Requester: Fahrenkamp
 Date of Request: _____

Agency Affected: Commerce & Econ. Dev.
 BRU: Insurance
 Components: Public Protection

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		25.0	25.0	25.0	25.0	25.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		25.0	25.0	25.0	25.0	25.0

CAPITAL		-0-	-0-	-0-	-0-	-0-
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REVENUE		-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND		25.0	25.0	25.0	25.0	25.0
FEDERAL FUNDS						
OTHER						
TOTAL		25.0	25.0	25.0	25.0	25.0

POSITIONS:

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

The bill requires the acquisition and use of data concerning cost impact of regulation on components of the overall group regulated by the division. We do not have in-house expertise in this area, so it will be necessary to contract for these needs. The amount shown is an estimate. Based on the size of the group regulated, we feel it is conservative.

Prepared by: John George, Director *P. R. Troop* Phone: 465-2515
 Division: Division of Insurance Date: March 21, 1986

Approved by Commissioner: Sam S. Loumbury Date: March 21, 1986
 Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST	FISCAL DETAIL
Bill/Resolution No.: <u>SB 429</u>	Agency Affected: <u>APUC</u>
Title: <u>Req. that affects small business, small org. and small gov. jurisdictions</u>	BRU: <u>APUC</u>
Sponsor: <u>Fahrenkamp</u>	Components: _____
Requester: _____	_____
Date of Request: _____	_____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		5.0	5.0	5.0	5.0	5.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		5.0	5.0	5.0	5.0	5.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of dollars)

GENERAL FUND		5.0	5.0	5.0	5.0	5.0
FEDERAL FUNDS						
OTHER						
TOTAL		5.0	5.0	5.0	5.0	5.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Public utilities are, in essence, given an exclusive franchise by the commission to operate in their defined service areas, which would constitute them as dominant entities in their field. Thus, it is arguable whether the provisions of the legislation would be applicable to the regulations of the commission.

Prepared by: <u>T. S. Moninski, Deputy Director</u>	Phone: <u>276-6222</u>
Division: <u>APUC</u>	Date: <u>3/19/86</u>
Approved by Commissioner: <u><i>Loren H. Lounsbury</i></u>	Date: <u>3/21/86</u>
Agency: _____	

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

Moreover, the commission notes that it has geared its regulations in several respects to consider the size of the utilities covered by them. For example, uniform systems of accounts, rate design, cost of service, and load research requirements are based on the utility size. Moreover, in practice, the commission's staff is directed to provide small utilities with assistance to the greatest extent possible. The commission is always sympathetic to waivers of specific statutory or regulatory requirements where the intended public benefits are clearly outweighed by the burdens imposed on small utilities.

The projected expenses reflected in this fiscal note are the estimated costs of public notices and newspaper advertising associated with regulations review. If it is determined that this bill is applicable to public utilities, these direct costs would be incurred. Also necessary would be the annual commitment of approximately five person-months of effort on the part of commissioners and staff in performing the review and analysis required. Although this allocation would not require an addition of new positions, it would be made at the expense of other regulatory responsibilities. Clearly, other statutory time frames would be negatively impacted at the very time when the Legislature is considering proposals to shorten the processing time for most commission proceedings.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: Bill relating to regulations that affect small businesses, etc.

Sponsor: Fahrenkamp
 Requester: _____
 Date of Request: March 17, 1986

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.
 BRU: Accounting and Collections

Administration

Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		16.0	5.5	5.5	5.5	5.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		16.0	5.5	5.5	5.5	5.5

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER		16.0	5.5	5.5	5.5	5.5
TOTAL		16.0	5.5	5.5	5.5	5.5

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

See attached.

Prepared by: Margaret I. Hamley, Director
 Division: Accounting and Collections

Phone: 465-2555
 Date: March 19, 1986

Approved by Commissioner: Loren S. Hounskuy
 Agency: Commerce and Economic Development

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

The division has regulations in effect relating to the administration of the 13 loan programs in this department.

This fiscal note assumes the minimum additional workload to comply with Periodic Review of Regulations (AS 44.63.070) and promulgation of new or amended regulations (AS 44.63.010-.060). This is foreseen as an effort which can be accommodated by a professional service contract. This approach is believed to be the most efficient, least-cost approach.

CONTRACTUAL SERVICES

FY 87

Professional Service Contract: 3 months @ \$5.0	\$15.0
Printing and Postage	<u>1.0</u>
	\$16.0

The contractor will be required to prepare and implement the overall plan to review the division's current regulations within the time frame specified in the proposed legislation. The contractor will coordinate publishing in the Alaska Administrative Journal, receive public comment, analyze the criteria set out under proposed AS 44.63.070(b)(1-5), and prepare a recommendation supporting continuation, amendment or repeal of the regulations.

FY 88 - FY 91

Professional Service Contract: 1 month @ \$5.0	\$ 5.0
Printing and Postage	<u>.5</u>
	\$ 5.5

The contractor will perform the flexibility analysis as required for promulgating new or amended regulations.

SB 429 (Continued)
FISCAL NOTE

FUNDING SOURCE

<u>NUMBER</u>	<u>FUND NAME</u>	<u>FY 87</u>	<u>EACH YEAR FY 88-FY 91</u>
1035	Veterans RLF	3.7	1.3
1036	Commercial Fishing RLF	3.0	1.0
1057	Small Business RLF	2.0	.7
1058	Tourism RLF	.3	.1
1067	Mining RLF	1.5	.5
1068	Child Care RLF	.4	.1
1069	Historical Districts RLF	.1	.1
1070	Fisheries Enhancement RLF	.3	.1
1071	Alternative Energy RLF	2.4	.8
1072	Residential Energy Conservation RLF	1.8	.6
1073	Power Development RLF	.3	.1
1074	Bulk Fuel RLF	<u>.2</u>	<u>.1</u>
	TOTAL	\$16.0	\$5.5

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
Title: Regulatory Flexibility Act

Sponsor: Senator Fahrenkamp
Requester: Tom Moyer
Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.
BRU: Economic Development Advocates

Components: Office of Enterprise
"Small Business Development"

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES	-0-	147.2	147.2	147.2	147.2	147.2
TRAVEL	-0-	6.9	7.2	7.6	8.0	8.4
CONTRACTUAL	-0-	6.7	7.2	7.6	8.0	8.4
SUPPLIES	-0-	2.3	.8	.8	.9	.9
EQUIPMENT	-0-	11.5	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	174.6	162.4	163.2	164.1	164.9

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	174.6	162.4	163.2	164.1	164.9
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	174.6	162.4	163.2	164.1	164.9

POSITIONS:

FULLTIME	-0-	3	3	3	3	3
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

See attached.

Prepared by: Bonnie Jo Borchick
Division: Office of Enterprise

Phone: 465-2018
Date: March 19, 1986

Approved by Commissioner: *Lowell Spenning*
Agency: Commerce and Economic Development

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SB 429 (Revised)
Fiscal Note

71000	<u>PERSONAL SERVICES</u>	<u>FY 87 COSTS</u>
	Economist II	\$ 55,500.00
	Research Analyst III	48,860.00
	Regulations Specialist II	42,809.00
	TOTAL	<u>\$147,169.00</u>
72000	<u>TRAVEL</u>	
	7 trips to Anchorage @ \$352 (per diem 3 days @ \$80 x 7)	\$ 2,464.00
	2 trips to Seattle @ \$452 (per diem 3 days @ \$80 x 2)	1,680.00
	2 trips to Fairbanks @ \$422 (per diem 3 days @ \$80 x 2)	904.00
		480.00
		844.00
		480.00
	TOTAL	<u>\$ 6,852.00</u>
73000	<u>CONTRACTUAL</u>	
	Telephone \$75 x 12	\$ 900.00
	Telephone (L.D.) \$150 x 12	1,800.00
	Subscriptions & membership	1,500.00
	Postage fees \$110 x 12	1,320.00
	Forms & printing	1,200.00
	TOTAL	<u>\$ 6,720.00</u>
74000	<u>SUPPLIES</u>	
	Stationery & copier supplies	\$ 300.00
	Desk supplies	750.00
	Typing supplies	150.00
	Forms	300.00
	Three calculators @ \$250	750.00
	TOTAL	<u>\$ 2,250.00</u>
75000	<u>EQUIPMENT</u>	
	3 workstations, 3 chairs (including side chairs, panels, overhead file cabinets @ \$3,500 each)	\$ 10,500.00
	3 four-drawer legal files w/locks @ \$322.20 each	<u>966.60</u>
	TOTAL	<u>\$ 11,466.60</u>
	FY 87 GRAND TOTAL	<u>174.6</u>

		<u>FY 88</u> <u>COSTS</u>	<u>FY 89</u> <u>COSTS</u>	<u>FY 90</u> <u>COSTS</u>	<u>FY 91</u> <u>COSTS</u>
71000	<u>PERSONAL SERVICES</u>				
	Same as FY 87	147.2	147.2	147.2	147.2
72000	<u>TRAVEL</u>				
	Same as FY 87 x 5%	7.2	7.6	8.0	8.4
73000	<u>CONTRACTUAL</u>				
	Same as FY 87 x 5%	7.2	7.6	8.0	8.4
74000	<u>SUPPLY</u>				
	same as FY 87 x 5% (use desk supplies and calculators)	.8	.8	.9	.9
75000	<u>CAPITAL/EQUIPMENT</u>				
	None	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	GRAND TOTAL	162.4	163.2	164.1	164.9

Position Title Economist II		Staff Months 12	RP Number
Line Status PFT	Range/Step 20A		Barq. Unit Election District
Location Juneau		Gov. Leg.	Disapp.

Justification

The Economist II will be responsible for determining the economic consequences of new regulations. This will include obtaining or directing a research analyst to obtain the requisite data for analysis, quantitative analysis of the regulations, economic consequences, and economic policy alternatives and consequences as they impact business statewide.

Type of Expenditure	Amount
1	3
Salary	42.8
Benefits	12.7
Premium Pay	
Other	
Total Personal Services	55.5
Travel	-0-
Contractual	2.2
Commodities	.8
Equipment	3.8
Other	
Total Cost	62.3

Receipt Code	Funding Source
	Federal Receipts 1002
	G. F. Match 1003
	General Funds 1004
	I-A Receipts 1005
	Program Receipts 1028
	CIP Receipts 1061
	Other
	62.3

For B&M Use Only
Key Number

Request For
New Position

Agency Commerce & Economic Development
 BRU
 Component Economic Development Advocates
Small Business Administration

FY 87

Page _____ of _____
 Revised Date _____

Position Title	Regulations Specialist II	
Time Status	Staff Months	RP Number
PFT	12	
Req. of Positions	Range/Step	Dep. Unit
Location	16A	Election District
Juneau		
Gov. Leg.		
Disapp.		

Justification

The Regulations Specialist II will represent this agency, Department of Commerce & Economic Development, in interpreting administrative statutes and regulations pursuant to AS 44.63.090. This position will perform technical research and evaluations of statutes, regulations, and amend proposed regulations, act as liaison between regulatory boards and/or commissions and the Department of Law in submitting regulations under the Alaska Administrative Procedure Act.

Type of Expenditure	Amount
1	3
Salary	32.4
Benefits	10.4
Premium Pay	
Other	
Total Personal Services	42.8
Travel	6.9
Contractual	2.2
Commodities	.8
Equipment	3.8
Other	
Total Cost	56.5

Receipt Code	Funding Source
	Federal Receipts 1002
	G. F. Match 1003
	General Funds 1004
	I-A Receipts 1005
	Program Receipts 1028
	CHP Receipts 1061
	Other
	56.5

For BEEM Use Only

Key Number

Request For
New Position

Agency Commerce & Economic Development
 BRU
 Component Economic Development Advocates
Small Business Administration

Page 1 of 1
 Received Date

FY 87

Position Title	Research Analyst III	
Time Status	Staff Months	KP Number
PFT	12	
Req. of Positions	Range/Step	Barg. Unit
Location	Election District	
Juneau		
Justification		

The Research Analyst III will obtain and analyze information and data on the consequence of new regulations. The analyst will also assist the the Economist II in his analysis and will report directly to the Economist II. This will require an understanding of both economics and regulations.

Type of Expenditure	Amount
1	3
Salary	2
	37.3
Benefits	11.5
Premium Pay	
Other	
Total Personal Services	48.8
Travel	-0-
Contractual	2.2
Commodities	.8
Equipment	3.8
Other	
Total Cost	55.6
Receipt Code	Funding Source
	Federal Receipts 1002
	G. F. Match 1003
	General Funds 1004
	F-A Receipts 1005
	Program Receipts 1028
	CFP Receipts 1061
	Other
	55.6

For B&M Use Only
Key Number

Request For
New Position

Agency
Commerce & Economic Development
BRU
Economic Development Advocates
Component
Small Business Administration

Page _____ of _____
Revised Date _____

FY 87

Introduced: 2/14/86
Referred: Labor and Commerce
and Judiciary

1 IN THE SENATE

BY FAHRENKAMP

2

SENATE BILL NO. 429

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to regulations that affect small
7 businesses, small organizations, and small govern-
8 mental jurisdictions; and providing for an effective
9 date."

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

11 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

12 (1) when adopting regulations to protect the health, safety,
13 environment, and economic welfare of the state, agencies should seek to
14 achieve statutory goals as effectively and efficiently as possible without
15 imposing unnecessary burdens on the public;

16 (2) laws and regulations designed for application to large scale
17 entities have been applied uniformly to small businesses, small organiza-
18 tions, and small governmental jurisdictions even though the problems that
19 gave rise to government action may not have been caused by those smaller
20 entities;

21 (3) uniform regulatory and reporting requirements have in numer-
22 ous instances imposed unnecessary and disproportionately burdensome demands
23 including legal, accounting and consulting costs upon small businesses,
24 small organizations, and small governmental jurisdictions with limited
25 resources;

26 (4) the failure to recognize differences in the scale and re-
27 sources of regulated entities has in numerous instances adversely affected
28 competition in the marketplace, discouraged innovation and restricted
29 improvements in productivity;

1 (5) unnecessary regulations create entry barriers in many indus-
2 tries and discourage potential entrepreneurs from introducing beneficial
3 products and processes;

4 (6) the practice of treating all regulated businesses, organiza-
5 tions, and governmental jurisdictions as equivalent may lead to inefficient
6 use of agency resources, enforcement problems, and, in some cases, to
7 actions inconsistent with the legislative intent of health, safety, en-
8 vironmental, and economic welfare legislation;

9 (7) alternative regulatory approaches that do not conflict with
10 the stated objectives of applicable statutes may be available to minimize
11 the significant economic impact of regulations on small businesses, small
12 organizations, and small governmental jurisdictions;

13 (8) the process by which regulations are developed and adopted
14 should be reformed to require agencies to solicit the ideas and comments of
15 small businesses, small organizations, and small governmental jurisdictions
16 to examine the impact of proposed and existing regulations on the entities,
17 and to review the continued need for existing regulations.

18 * Sec. 2. AS 44 is amended by adding a new chapter to read:

19 CHAPTER 63. REGULATIONS AFFECTING SMALL ENTITIES.

20 Sec. 44.63.010. REGULATORY AGENDA. (a) During the months of
21 January and July of each year, each agency shall publish in the
22 journal a regulatory flexibility agenda

23 (1) describing briefly the subject area of any regulation
24 that the agency expects to propose or adopt that is likely to have a
25 significant economic impact on a substantial number of small entities;

26 (2) summarizing the nature of any proposed regulation under
27 each subject area listed under (1) of this subsection, the objectives
28 and legal basis for the proposed regulation, and an approximate
29 schedule for completing action on each regulation for which the agency

1 has issued a notice of proposed regulation-making; and

2 (3) containing the name and telephone number of an agency
3 official knowledgeable concerning the items listed in (1) of this
4 subsection.

5 (b) Each regulatory flexibility agenda shall be transmitted to
6 the office of enterprise, for comment.

7 (c) Each agency shall endeavor to give notice of the agenda to
8 small entities or their representatives by direct notification or
9 publication of the agenda in publications likely to be obtained by the
10 small entities and shall invite comments upon each subject area on the
11 agenda.

12 (d) An agency may consider or act on a matter not included in a
13 regulatory flexibility agenda and may decline to consider or act on a
14 matter listed in the agenda.

15 Sec. 44.63.020. INITIAL FLEXIBILITY ANALYSIS. (a) When an
16 agency is required by AS 44.62.190 or any other law to publish notice
17 of proposed action for a proposed regulation, the agency shall prepare
18 and make available for public comment an initial flexibility analysis.
19 The analysis shall describe the effect of the proposed regulation on
20 small entities. The initial flexibility analysis or a summary shall
21 be published in the journal when the notice of proposed action is
22 published. The agency shall send a copy of the initial flexibility
23 analysis to the office of enterprise.

24 (b) Each initial flexibility analysis shall

25 (1) describe the reasons why action by the agency is being
26 considered;

27 (2) contain a succinct statement of the objectives of, and
28 legal basis for, the proposed regulation;

29 (3) describe and, if feasible, estimate the number of small

1 entities to which the proposed regulation will apply;

2 (4) describe the reporting, record-keeping and other com-
3 pliance requirements of the proposed regulation, including an estimate
4 of the classes of small entities that will be subject to the require-
5 ment and the type of professional skills necessary for preparing the
6 report or record;

7 (5) identify, to the extent practicable, relevant regula-
8 tions that may duplicate, overlap, or conflict with the proposed regu-
9 lation.

10 (c) An initial flexibility analysis shall also describe any
11 significant alternatives to the proposed regulation that accomplish
12 the stated objectives of applicable statutes and that minimize the
13 significant economic impact on small entities. The analysis shall
14 discuss significant alternatives including

15 (1) the establishment of differing compliance or reporting
16 requirements or timetables that take into account the resources avail-
17 able to small entities;

18 (2) the clarification, consolidation, or simplification of
19 compliance and reporting requirements under the regulation for the
20 small entities;

21 (3) the use of performance rather than design standards;
22 and

23 (4) an exemption from coverage of the regulation, or any
24 part, for the small entities.

25 (d) An agency head may waive or delay the completion of some or
26 all of the requirements of this section by publishing in the journal,
27 not later than the date of publication of the final regulation, a
28 written finding, with reasons, that the final regulation is being
29 adopted in response to an emergency that makes compliance or timely

1 compliance with this section unpracticable.

2 Sec. 44.63.030. FINAL FLEXIBILITY ANALYSIS. (a) When an agency
3 adopts a final regulation after being required by AS 44.62.190 or any
4 other law to publish a notice of proposed action, the agency shall
5 prepare a final flexibility analysis. Each final flexibility analysis
6 shall

7 (1) state succinctly the need for, and the objectives of,
8 the regulation;

9 (2) summarize the issues raised by the public comments in
10 response to the initial flexibility analysis and the agency's assess-
11 ment of the issues, and contain a statement of changes made in the
12 proposed regulation as a result of the comments; and

13 (3) describe each significant alternative to the regulation
14 that was consistent with the stated objectives of applicable statutes
15 and was designed to minimize significant economic impact of the regu-
16 lation on small entities that the agency considered, and state the
17 reasons that the agency rejected the alternative.

18 (b) The agency shall make copies of the final flexibility analy-
19 sis available to members of the public and shall publish in the
20 journal at the time of publication of the final regulation under
21 AS 44.62.180 a statement describing how the public may obtain copies.

22 (c) Except as provided in AS 44.63.040(b), an agency head may
23 not waive the requirements of this section. An agency head may delay
24 the completion of the requirements of this section for not more than
25 180 days after the date of publication in the journal of a final
26 regulation by publishing in the journal, not later than the date of
27 publication of the final regulation, a written finding, with reasons,
28 that the final regulation is being adopted in response to an emergency
29 that makes timely compliance with this section impracticable. If the

1 agency does not prepare a final regulatory analysis under this section
2 within 180 days from the date of publication of the final regulation,
3 the regulation lapses and has no effect. The agency may not adopt the
4 substance of the regulation in a second emergency regulation until it
5 has completed a final flexibility analysis.

6 Sec. 44.63.040. AVOIDANCE OF DUPLICATIVE OR UNNECESSARY ANALY-
7 SES. (a) An agency may perform the analyses required by AS 44.63.-
8 010 - 44.63.030 in conjunction with or as a part of another agenda or
9 analysis required by law if the other analysis satisfies these sec-
10 tions.

11 (b) If the head of the agency certifies that a regulation will
12 not have a significant economic impact on a substantial number of
13 small entities, the agency is not required to comply with AS 44.63.020
14 and 44.63.030. The agency shall publish the certification and a
15 succinct statement explaining the reasons for the certification in the
16 journal when the notice of proposed action for the regulation is
17 published or when the final regulation is published. The agency shall
18 provide the certification and statement to the office of enterprise.

19 (c) An agency may consider a series of closely related regula-
20 tions as one regulation for the purposes of AS 44.63.010 - 44.63.030
21 and 44.63.070.

22 Sec. 44.63.050. PREPARATION OF ANALYSIS. In complying with
23 AS 44.63.020 and 44.63.030, an agency may provide either a quantifi-
24 able or numerical description of the effects of a proposed regulation
25 or alternatives to the proposed regulation, or more general descrip-
26 tive statements if quantification is not practicable or reliable.

27 Sec. 44.63.060. PROCEDURES FOR GATHERING COMMENTS. When a
28 regulation is adopted that will have a significant economic impact on
29 a substantial number of small entities, the head of the agency

1 adopting the regulations or the official of the agency responsible for
2 adoption of the regulation shall assure that small entities have been
3 given an opportunity to participate in the process through techniques
4 including

5 (1) inclusion in an advanced notice of proposed adoption of
6 regulation, if issued, of a statement that the proposed regulation may
7 have a significant economic effect on a substantial number of small
8 entities;

9 (2) publication of general notice of the proposed regula-
10 tion in publications likely to be obtained by small entities;

11 (3) direct notification of interested small entities;

12 (4) open conferences or public hearings concerning the
13 regulation for small entities; and

14 (5) adoption or modification of agency procedural regula-
15 tions to reduce the cost or complexity of participation in the process
16 by small entities.

17 Sec. 44.63.070. PERIODIC REVIEW OF REGULATIONS. (a) Before
18 January 1, 1987, each agency shall publish in the journal a plan for
19 the periodic review of the regulations issued by the agency that have
20 or will have a significant economic impact upon a substantial number
21 of small entities. The agency may amend the plan by publishing the
22 revision in the journal. The purpose of the review is to determine
23 whether the regulations should be continued without change, or should
24 be amended or rescinded to minimize significant economic impact on a
25 substantial number of the small entities. The plan must provide for
26 the review by July 1, 1991, of all the agency regulations existing on
27 July 1, 1986, and for the review of a regulation adopted after July 1,
28 1986, within five years of the effective date of the regulation. If
29 the head of the agency determines that completion of the review of

1 existing regulations is not feasible by the established date, the
2 agency head shall certify that fact in a statement published in the
3 journal and may extend the completion date by one year at a time for a
4 total of not more than five years.

5 (b) In reviewing regulations under (a) of this section, the
6 agency shall consider the

7 (1) continued need for the regulation;

8 (2) nature of complaints or comments received concerning
9 the regulation from the public;

10 (3) complexity of the regulation;

11 (4) extent to which the regulation overlaps, duplicates or
12 conflicts with other state regulations, and, to the extent feasible,
13 with federal and local governmental regulations; and

14 (5) length of time since the regulation has been evaluated
15 or the degree to which technology, economic conditions, or other
16 factors have changed in the area affected by the regulation.

17 (c) Each agency shall annually publish in the journal a list of
18 the regulations to be reviewed under this section during the suc-
19 ceeding 12 months. The list shall include a brief description of each
20 regulation and the need for and legal basis of the regulation and
21 shall invite public comment on the regulation.

22 Sec. 44.63.080. JUDICIAL REVIEW. (a) Except as provided in (b)
23 of this section,

24 (1) a determination by an agency concerning the applicabil-
25 ity of this chapter to an action of the agency is not subject to
26 judicial review;

27 (2) a flexibility analysis prepared under AS 44.63.020 or
28 44.63.030 and agency compliance or noncompliance with this chapter is
29 not subject to judicial review.

1 (b) When an action for judicial review of a regulation is in-
2 stituted, the flexibility analysis for the regulation shall constitute
3 part of the whole record of agency action in connection with the
4 review.

5 Sec. 44.63.090. REPORTS AND INTERVENTION RIGHTS. (a) The
6 office of enterprise shall monitor agency compliance with this chapter
7 and shall report at least annually to the governor and the legisla-
8 ture.

9 (b) The office may appear as amicus curiae in an action brought
10 in a court to review a regulation and may present views on the effect
11 of the regulation on small entities.

12 (c) A court shall grant the application of the office to appear
13 in an action under (b) of this section.

14 Sec. 44.63.200. AGENCY AMENDMENT OF DEFINITIONS. (a) An agency
15 may amend, by regulation, the definition of "small business" or "small
16 organization" if the amended definition is appropriate to the activi-
17 ties of the agency. An agency shall consult with the office of enter-
18 prise before amending "small business." An amendment to "small busi-
19 ness" may establish a maximum number of employees or dollar volume of
20 business for an enterprise in an industry.

21 (b) An agency may amend, by regulation, the definition of "small
22 governmental jurisdiction" if the amendment is appropriate to the
23 activity of the agency and is based on factors including location in
24 rural or sparsely populated areas or an area with limited revenue due
25 to the population of the jurisdiction.

26 (c) An agency that is not subject to AS 44.62.010 - 44.62.290 of
27 the Administrative Procedure Act and that intends to amend a defini-
28 tion under (a) or (b) of this section shall provide an opportunity for
29 public comment before adopting the amendment and shall publish the

1 amended definition in the journal.

2 Sec. 44.63.210. DEFINITIONS. In this chapter

3 (1) "agency" means an agency in the executive branch of
4 state government;

5 (2) "journal" means the Alaska Administrative Journal under
6 AS 44.62.175;

7 (3) "office of enterprise" means the office of enterprise
8 in the Department of Commerce and Economic Development;

9 (4) "regulation" means a regulation adopted under AS 44.62
10 or any other law, except a regulation of particular applicability
11 relating to rates, wages, corporate or financial structures or reorga-
12 nizations, prices, facilities, appliances, services or allowances or
13 to valuations, costs, or accounting, or practices relating to the
14 rates, wages, structures, prices, appliances, services, or allowances;

15 (5) "small business" means a small business that is
16 independently owned and operated and is not dominant in its field; ^{ONLY}

17 (6) "small entity" means a "small business," small orga-
18 nization, or small governmental jurisdiction;

19 (7) "small governmental jurisdiction" means a municipality,
20 school district, or special district, with a population of less than
21 50,000;

22 (8) "small organization" means a not-for-profit enterprise
23 that is independently owned and operated and is not dominant in its
24 field.

25 * Sec. 2. Notwithstanding AS 44.63.010(a), as enacted by sec. 1 of this
26 Act, the first publication of regulatory agendas must occur by January 31,
27 1987.

28 * Sec. 3. AS 44.63.020 and 44.63.030 as enacted by sec. 2 of this Act
29 do not apply to regulations for which a notice of proposed action is issued

1 before July 1, 1986.

2 * Sec. 4. This Act takes effect July 1, 1986.

WORK DRAFT

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WORK DRAFT

Crater
4/ - 36

Original sponsor: Fahrenkamp

1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 429 (L&C)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to regulations that affect small
7 businesses and small municipalities; and providing
8 for an effective date."

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

10 * Section 1. AS 24.20.460 is amended to read:

11 Sec. 24.20.460. POWERS. The Administrative Regulation Review
12 Committee has the following powers:

13 (1) to organize and adopt rules for the conduct of its
14 business;

15 (2) to hold public hearings;

16 (3) to require all state officials and agencies of state
17 government to give full cooperation to the committee or its staff in
18 assembling and furnishing requested information;

19 (4) to examine all administrative regulations to determine
20 if they properly implement legislative intent;

21 (5) to make recommendations for legislative annulment of
22 administrative regulations under AS 44.62.320;

23 (6) to prepare and distribute reports, memoranda, or other
24 materials;

25 (7) to promote needed revision or repeal of regulations
26 that have been adopted by state departments and agencies and, when the
27 committee determines a regulation should be repealed or amended, to
28 introduce a bill that would enact a statute that would supersede or
29 nullify the regulation;

1 (8) to investigate findings that are transmitted to the
2 committee by a standing committee in accordance with AS 24.05.182 and,
3 as appropriate, to either introduce a bill annulling the regulation or
4 exercise the committee's power to suspend the effectiveness of the
5 regulation in accordance with AS 24.20.445;

6 (9) to monitor agency compliance with the requirements of
7 AS 44.62.197, and make recommendations to an agency regarding the
8 adequacy of its analyses and of its responses to public testimony.

9 * Sec. 2. AS 44.62 is amended by adding a new section to article 3 to
10 read:

11 Sec. 44.62.177. REGULATORY AGENDA. (a) During the months of
12 January and July of each year, each agency shall publish in the Admin-
13 istrative Law Journal a regulatory flexibility agenda that

14 (1) describes briefly the subject area of any regulation
15 that the agency expects to propose or adopt that is likely to have a
16 significant economic impact on a substantial number of small entities;

17 (2) summarizes the nature of any proposed regulation under
18 each subject area listed under (1) of this subsection, the objectives
19 and legal basis for the proposed regulation, and an approximate
20 schedule for completing action on each regulation for which the agency
21 has issued a notice of proposed regulation-making; and

22 (3) contains the name and telephone number of an agency
23 official knowledgeable concerning the items listed in (1) of this
24 subsection.

25 (b) An agency may consider or act on a matter not included in a
26 regulatory flexibility agenda and may decline to consider or act on a
27 matter listed in the agenda.

28 (c) In this section, "small entity" has the meaning given in
29 AS 44.62.197.

1 * Sec. 3. AS 44.62 is amended by adding a new section to read:

2 Sec. 44.62.197. ECONOMIC ANALYSIS; SMALL ENTITIES. (a) Before
3 publishing notice under AS 44.62.190, an agency planning to adopt,
4 amend, or repeal a regulation shall analyze the probable economic
5 effect of the proposed action on small businesses and small municipali-
6 ties. The analysis must

7 (1) consider the types and numbers of small entities that
8 will probably be affected by the proposed action, including the types
9 that will bear the costs of the proposed action and those that will
10 benefit from it;

11 (2) consider the probable economic effect of the proposed
12 action, both as to kind and amount, upon the affected entities;

13 (3) review the reasons for the proposed action, in light of
14 the probable economic effect on small entities;

15 (4) identify whether there are less costly or less intru-
16 sive means of achieving the purpose of the proposed action;

17 (5) identify, to the extent practicable, relevant regula-
18 tions that may duplicate, overlap, or conflict with the proposed
19 regulations.

20 (b) After the close of public proceedings under AS 44.62.210,
21 the agency shall prepare, as a final analysis for a regulation-
22 adoption project, a brief summary from the analysis required by (a), of
23 this section and the agency's comment on public testimony, whether
24 that testimony was written or oral. The agency's comment on the
25 testimony must identify changes made in response to the testimony and
26 must include a brief statement of the reason for rejecting a proposal,
27 if any, that was not adopted by the agency. The agency's statement
28 under this subsection may summarize the reasons and the testimony in
29 aggregate form so as to avoid duplication and unnecessary detail.

1 (c) If the head of the agency certifies in writing that a regu-
2 lation will not have a significant economic effect on a substantial
3 number of small entities, the agency shall make a succinct statement
4 as to why it is not required to comply with this section. The certi-
5 fication must be submitted to the lieutenant governor for filing with
6 the regulation.

7 (d) An agency may consider a series of closely related regula-
8 tions as one regulation for the purposes of this section.

9 (e) Analyses under this section are not subject to judicial
10 review. Action taken may not be invalidated on the ground that the
11 contents of an analysis are insufficient or inaccurate.

12 (f) In this section

13 (1) "small business" means a business corporation or a
14 nonprofit corporation, a partnership, or a sole proprietorship, that
15 is licensed in the state and transacts business in the state, and

16 (A) employs 50 or fewer employees in the state, ex-
17 cluding seasonal employees; or

18 (B) has annual gross sales, or value of services
19 provided, of \$1,000,000 or less;

20 (2) "small entity" means a small business or small munic-
21 ipality;

22 (3) "small municipality" means a municipality with a popu-
23 lation of 10,000 or fewer persons.

24 * Sec. 4. AS 44.62.200(a) is amended to read:

25 (a) The notice of proposed adoption, amendment, or repeal of a
26 regulation shall include

27 (1) a statement of the time, place, and nature of proceed-
28 ings for adoption, amendment, or repeal of the regulation;

29 (2) reference to the authority under which the regulation

1 is proposed and a reference to the particular code section or other
2 provisions of law which are being implemented, interpreted, or made
3 specific;

4 (3) an informative summary of the proposed subject of
5 agency action;

6 (4) other matters prescribed by a statute applicable to
7 the specific agency or to the specific regulation or class of regula-
8 tions;

9 (5) a summary of the fiscal information required to be
10 prepared under AS 44.62.195;

11 (6) a summary of the analysis required by AS 44.62.197(a)
12 and the address from which a complete copy of the analysis may be
13 obtained.

14 * Sec. 5. REVIEW OF EXISTING REGULATIONS. (a) Before January 1, 1991,
15 each agency shall review the regulations adopted by that agency and in
16 effect as of July 1, 1986, that have or will have a significant economic
17 effect upon a substantial number of small entities. The purpose of the
18 review is to determine whether the regulations should be continued without
19 change, or should be amended or repealed to minimize a significant economic
20 effect on a substantial number of the small entities. If the head of the
21 agency determines that completion of the review of existing regulations is
22 not feasible by January 1, 1991, the agency head shall certify that fact in
23 writing and may extend the completion date by one year.

24 (b) In reviewing regulations under (a) of this section, the agency
25 shall consider the

26 (1) continued need for the regulation;

27 (2) nature of complaints or comments received concerning the
28 regulation from the public;

29 (3) complexity of the regulation;

1 (4) extent to which the regulation overlaps, duplicates, or
2 conflicts with other state regulations, and, to the extent feasible, with
3 federal and local governmental regulations; and

4 (5) length of time since the regulation has been evaluated or
5 the degree to which technology, economic conditions, or other factors have
6 changed in the area affected by the regulation.

7 (c) In this section

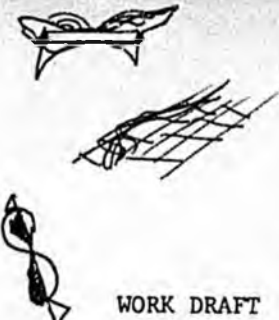
8 (1) "agency" has the meaning given "state agency" in AS 44.61.-
9 640(a);

10 (2) "small entity" has the meaning given in AS 44.62.197.

11 * Sec. 6. AS 44.62.197, enacted by sec. 3 of this Act, does not apply
12 to regulations for which a notice of proposed action is issued before
13 July 1, 1986.

14 * Sec. 7. This Act takes effect July 1, 1986.

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WORK DRAFT

WORK DRAFT

WORK DRAFT

Alaska Administrative Journal
Lay. review comm.

Original sponsor: Fahrenkamp

Flexibility analysis
water quality standards
Cramer
4/8/86

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IN THE SENATE

BY THE LABOR AND COMMERCE COMMITTEE

CS FOR SENATE BILL NO. 429 (L&C)
IN THE LEGISLATURE OF THE STATE OF ALASKA
FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to regulations that affect small businesses and small municipalities; and providing for an effective date."

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

* Section 1. AS 24.20.460 is amended to read:

ARAC

Sec. 24.20.460. POWERS. The Administrative Regulation Review Committee has the following powers:

- (1) to organize and adopt rules for the conduct of its business;
- (2) to hold public hearings;
- (3) to require all state officials and agencies of state government to give full cooperation to the committee or its staff in assembling and furnishing requested information;
- (4) to examine all administrative regulations to determine if they properly implement legislative intent;
- (5) to make recommendations for legislative annulment of administrative regulations under AS 44.62.320;
- (6) to prepare and distribute reports, memoranda, or other materials;
- (7) to promote needed revision or repeal of regulations that have been adopted by state departments and agencies and, when the committee determines a regulation should be repealed or amended, to introduce a bill that would enact a statute that would supersede or nullify the regulation;

1 (8) to investigate findings that are transmitted to the
2 committee by a standing committee in accordance with AS 24.05.182 and,
3 as appropriate, to either introduce a bill annulling the regulation or
4 exercise the committee's power to suspend the effectiveness of the
5 regulation in accordance with AS 24.05.445;

6 .(9) to monitor agency compliance with the requirements of
7 AS 44.62.197, and make recommendations to an agency regarding the
8 adequacy of its analyses and of its responses to public testimony.

9 * Sec. 2. AS 44.62 is amended by adding a new section to article 3 to
10 read:

11 Sec. 44.62.177. REGULATORY AGENDA. (a) During the months of
12 January and July of each year, each agency shall publish in the Admin-
13 istrative Law Journal a regulatory flexibility agenda that

14 (1) describes briefly the subject area of any regulation
15 that the agency expects to propose or adopt that is likely to have a
16 significant economic impact on a substantial number of small entities;

17 (2) summarizes the nature of any proposed regulation under
18 each subject area listed under (1) of this subsection, the objectives
19 and legal basis for the proposed regulation, and an approximate sched-
20 ule for completing action on each regulation for which the agency has
21 issued a notice of proposed regulation-making; and

22 (3) contains the name and telephone number of an agency
23 official knowledgeable concerning the items listed in (1) of this
24 subsection.

25 (b) An agency may consider or act on a matter not included in a
26 regulatory flexibility agenda. An agency may decline to consider or
27 act on a matter listed in the agenda. The agency shall state why it
28 is declining to act on the matter. An agency may not refuse to
29 consider or adopt a regulation solely because the proposed regulation

1 was not included in the agency's regulatory agenda.

2 (c) In this section, "small entity" has the meaning given in
3 AS 44.62.197.

4 * Sec. 3. AS 44.62 is amended by adding a new section to read:

5 Sec. 44.62.197. ECONOMIC ANALYSIS; SMALL ENTITIES. (a) Before
6 publishing notice under AS 44.62.190, an agency planning to adopt,
7 amend, or repeal a regulation shall analyze the probable economic
8 effect of the proposed action on small businesses and small municipal-
9 ities. The analysis must

10 (1) consider the types and numbers of small entities that
11 will probably be affected by the proposed action, including the types
12 that will bear the costs of the proposed action and those that will
13 benefit from it;

14 (2) consider the probable economic effect of the proposed
15 action, both as to kind and amount, upon the affected entities;

16 (3) review the reasons for the proposed action, in light of
17 the probable economic effect on small entities;

18 (4) identify whether there are less costly or less intru-
19 sive means of achieving the purpose of the proposed action;

20 (5) identify, to the extent practicable, relevant regula-
21 tions that may duplicate, overlap, or conflict with the proposed
22 regulations.

23 (b) After the close of public proceedings under AS 44.62.210,
24 the agency shall prepare, as a final analysis for a regulation-adop-
25 tion project, a brief summary from the analysis required by (a) of
26 this section and the agency's comment on public testimony, whether
27 that testimony was written or oral. The agency's comment on the
28 testimony must identify changes made in response to the testimony and
29 must include a brief statement of the reason for rejecting a proposal,

1 if any, that was not adopted by the agency. The agency's statement
2 under this subsection may summarize the reasons and the testimony in
3 aggregate form so as to avoid duplication and unnecessary detail.

4 (c) If the head of the agency certifies in writing that a regu-
5 lation will not have a significant economic effect on a substantial
6 number of small entities, the agency shall make a succinct statement
7 explaining the reasons for the certification and why it is not
8 required to comply with this section. The certification must be
9 submitted to the lieutenant governor for filing with the regulation.

10 (d) An agency may consider a series of closely related regula-
11 tions as one regulation for the purposes of this section.

12 (e) Analyses under this section are not subject to judicial
13 review. Action taken may not be invalidated on the ground that the
14 contents of an analysis are insufficient or inaccurate.

15 (f) In this section

16 (1) "small business" means a business corporation or a
17 nonprofit corporation, a partnership, or a sole proprietorship, that
18 is licensed in the state and transacts business in the state, and

19 (A) employs 50 or fewer employees in the state, ex-
20 cluding seasonal employees; or

21 (B) has annual gross sales, or value of services
22 provided, of \$1,000,000 or less;

23 (2) "small entity" means a small business or small munic-
24 ipality;

25 (3) "small municipality" means a municipality with a popu-
26 lation of 10,000 or fewer persons.

27 * Sec. 4. AS 44.62.200(a) is amended to read:

28 (a) The notice of proposed adoption, amendment, or repeal of a
29 regulation shall include

1 (1) a statement of the time, place, and nature of proceed-
2 ings for adoption, amendment, or repeal of the regulation;

3 (2) reference to the authority under which the regulation
4 is proposed and a reference to the particular code section or other
5 provision of law which are being implemented, interpreted, or made
6 specific;

7 (3) an informative summary of the proposed subject of
8 agency action;

9 (4) other matters prescribed by a statute applicable to
10 the specific agency or to the specific regulation or class of regula-
11 tions;

12 (5) a summary of the fiscal information required to be
13 prepared under AS 44.62.195;

14 (6) a summary of the analysis required by AS 44.62.197(a)
15 and the address from which a complete copy of the analysis may be
16 obtained.

17 * Sec. 5. REVIEW OF EXISTING REGULATIONS. (a) Before January 1, 1991,
18 each agency shall review the regulations adopted by that agency and in
19 effect as of July 1, 1986, that have or will have a significant economic
20 effect upon a substantial number of small entities. The purpose of the
21 review is to determine whether the regulations should be continued without
22 change, or should be amended or repealed to minimize a significant economic
23 effect on a substantial number of the small entities. If the head of the
24 agency determines that completion of the review of existing regulations is
25 not feasible by January 1, 1991, the agency head shall certify that fact in
26 writing and may extend the completion date by one year.

27 (b) In reviewing regulations under (a) of this section, the agency
28 shall consider the

29 (1) continued need for the regulation;

1 (2) nature of complaints or comments received concerning the
2 regulation from the public;

3 (3) complexity of the regulation;

4 (4) extent to which the regulation overlaps, duplicates, or
5 conflicts with other state regulations, and, to the extent feasible, with
6 federal and local governmental regulations; and

7 (5) length of time since the regulation has been evaluated or
8 the degree to which technology, economic conditions, or other factors have
9 changed in the area affected by the regulation.

10 (c) In this section

11 (1) "agency" has the meaning given "state agency" in AS 44.62.-
12 640(a);

13 (2) "small entity" has the meaning given in AS 44.62.197.

14 * Sec. 6. AS 44.62.197, enacted by sec. 3 of this Act, does not apply
15 to regulations for which a notice of proposed action is issued before
16 July 1, 1986.

17 * Sec. 7. This Act takes effect July 1, 1986.
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**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: 4/8/86

REQUEST

Bill/Resolution No.: SB 429
Title: An Act relating to regulations

Sponsor: Senator Fahrenkamp
Requestor: Senate Labor and Commerce
Date of Request: 4/3/86

FISCAL DETAIL

Agency Affected: Natural Resources
BRU: Management and Administration

Components: _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		44.4	44.4	44.4	44.4	44.4
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		44.4	44.4	44.4	44.4	44.4

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		44.4	44.4	44.4	44.4	44.4
FEDERAL FUNDS						
OTHER						
TOTAL		44.4	44.4	44.4	44.4	44.4

POSITIONS :

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

An Administrative Assistant III position would be established to coordinate the regulation adoption requirements.

Prepared by: David Creekman Phone: 561-2020
Division: Office of the Commissioner Date: 4/8/86

Approved by Commissioner: Mmm S D Small, Deputy Date: 4/9/86
Agency: Natural Resources

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

DEPARTMENT OF LAW

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

OFFICE OF THE ATTORNEY GENERAL

April 7, 1986

Honorable Fred Zharoff, Chairman
Senate Labor & Commerce Committee
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

Re: SB 429 (regulations affecting
small businesses, etc.)
Our file: 66-3-86-0414

Dear Senator Zharoff:

You will find attached copies of fiscal notes by the following departments:

Department of Administration,
Department of Commerce & Economic Development,
Department of Community & Regional Affairs,
Department of Corrections,
Department of Education,
Department of Environmental Conservation,
Department of Health & Social Services,
Department of Labor,
Department of Law,
Department of Military & Veterans' Affairs,
Department of Public Safety, and
Department of Transportation & Public Facilities.

These fiscal notes are based on the original SB 429. I did not receive the draft committee substitute until Friday, April 4, and I believe that the various state agencies directly affected by this bill have not yet seen that draft. I am forwarding these fiscal notes to you so that your committee will have everything available as it considers the bill. The draft should substantially reduce the costs.

On March 24, following your committee's last hearing on this bill, Senator Fahrenkamp, the bill's sponsor, and I met with her staff, your staff, and David Dougherty (from the federal Small Business Administration) to discuss the bill. On the following day, I prepared for Senator Fahrenkamp a draft revision. It was understood that, although I was trying to help the senator address some of the problems identified as being in the original version of the bill, my efforts did not mean that the

Honorable Fred Zharoff
Re: SB 429

April 7, 1986
Page 2

Administration or the Department of Law endorsed either the original version or the draft substitute. It was also understood that the senator would send a copy to Mr. Dougherty for his comments.

I believe that your committee has been furnished copies of my March 25 letter to Senator Fahrenkamp and of the draft substitute. So I will not repeat the content of that letter here.

It appears that the April 4 draft CS prepared in the Legislative Affairs Agency is very similar to my draft, with, however, some significant changes.

The gist of the attached fiscal notes is that the bill is unnecessary, too burdensome, costly, and without sufficient (if any) benefit to the public. The draft substitute bill, which the various agencies have not yet seen and have not commented upon, will substantially reduce those costs and burdens, but it is not clear that it will produce anything of great value to the public. This time of severe fiscal constraints and reduced staffs is not the best one for imposing new functions and duties on a broad range of state agencies.

Here are some general and specific comments:

1. While commending Senator Fahrenkamp's long-standing interest in regulatory reform, I have not been able to identify a particular problem for which this bill is the solution. I have read the senator's written statement which she presented to your committee on March 24, 1986, and I have no quarrel with her objective of making state agencies more "sensitive to new regulatory burdens." However, most agencies are indeed aware of that now, and the duties imposed by the bill seem unnecessary to achieve any greater sensitivity.

2. A bill such as this appears to be inspired by a particular problem pertaining to a particular function of the state government, implemented, in part, by administrative regulations. But the bill speaks in broad terms, thus affecting all agencies and all functions.

3. If there is a particular function of the state government, being performed by some identified state agency, a simple amendment to the statutes specifically affecting that function would be a better way to achieve the senator's objective.

4. Some agencies, such as the Department of Environmental Conservation and the Department of Health and Social Services, administer programs closely associated with federal agencies and subject to federal requirements. For many of these, it is simply not feasible to undertake some special "flexibility analysis" for small businesses when preparing and adopting regulations.

5. Some agencies, such as the Department of Corrections and the Department of Military and Veterans' Affairs, do not adopt regulations affecting small businesses and a broadly sweeping statute such as in this bill (and the draft committee substitute) is simply unnecessary.

6. Section 1 of the draft committee substitute merely adds to the duties of the legislature's Administrative Regulation Review Committee. In doing so, it relies on the new requirement in the proposed AS 44.62.197 (economic analysis for small entities). While we do not support the new statutory requirement in the proposed AS 44.62.197, we do not object to the committee performing an oversight function. The current standard for regulation validity is "reasonable necessity." AS 44.62.030. The language of the amendment proposed in sec. 1 could be made to refer simply to the existing standard.

7. Section 2 of the draft committee substitute will require each agency to prepare a "regulatory agenda" twice a year. The need for this is certainly questionable, especially since an agency is not bound by it (see the proposed AS 44.62.177(b)). Under the current AS 44.62.190, an agency is required to give a broad distribution to the notice of proposed regulation adoption, at least 30 days before the adoption. It is not clear that, in addition to the currently required saturation notice, this regulatory agenda would provide anything more than a time-consuming irritant to each regulation-adopting agency.

8. Section 2 also relies on the terms "significant economic impact," "substantial number," and "small entities." Although the last of these three terms is defined, the first two are not. This leaves a great deal of vagueness which would make accurate compliance with the requirement very difficult.

9. Section 3 of the draft committee substitute is, of course, the heart of the bill. Although this version would be much more administratively feasible than the version in

Honorable Fred Zharoff
Re: SB 429

April 7, 1986
Page 4

the original bill, it still imposes requirements that select one kind of member of the public -- "small entities" -- for special treatment. It thus imposes a burden on all agencies that will produce little benefit, if any, to the general public.

10. The definitions of "small business" and "small municipality," in the proposed subsec. (f) (page 4 of the draft CS), raise some questions. Although the approach taken is that offered in the draft that I did for Senator Fahrenkamp on March 25, the numbers of employees and the amount of annual gross sales, in the definition of "small business," and the size of the population of "small municipalities," have been made much larger. Although I am not qualified to state firmly just what those numbers should be, it appears that the draft CS uses numbers that are far too large for the Alaska context.

Thank you for this opportunity to comment, and I would be happy to continue working with Senator Fahrenkamp and her and your staff on this matter.

Yours truly,

HAROLD M. BROWN
ATTORNEY GENERAL

By: 
Arthur H. Peterson
Assistant Attorney General

AHP:md

cc w/enc.: Hon. Bettye Fahrenkamp
Alaska State Senate

Jim Ayers, Director
Legislative Relations
Governor's Office

cc w/o enc.: Department Heads

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

<p>REQUEST</p> <p>Bill/Resolution No.: <u>SB 429</u></p> <p>Title: <u>An act relating to regulations that affect small businesses, small organizations, and small governmental. . . ."</u></p> <p>Sponsor: <u>Fahrenkamp</u></p> <p>Requestor: _____</p> <p>Date of Request: <u>February 14, 1986</u></p>	<p>FISCAL DETAIL</p> <p>Agency Affected: <u>Dept. of Administration</u></p> <p>BRU: <u>Administrative Services</u></p> <p>Components: _____</p>
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES	0	7.4	7.6	7.8	8.0	8.2
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	10.7	11.0	11.3	11.6	12.0
SUPPLIES	0	.6	.6	.6	.7	.7
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	18.7	19.2	19.7	20.3	20.9
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	18.7	19.2	19.7	20.3	20.9
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	18.7	19.2	19.7	20.3	20.9

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	1	1	1	1	1	1
TEMPORARY	0	0	0	0	0	0

ANALYSIS: Attach a separate page if necessary

Attached

Prepared By: Gary M. Bader *Gary M. Bader* Phone: 465-2277
 Division: Administrative Services Date: 3/28/86
 Approved by Commissioner: Eleanor Andrews *Eleanor Andrews* Date: 3/28/86
 Agency: Department of Administration

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION OF FISCAL NOTE ANALYSIS
FOR SENATE BILL 429

ANALYSIS:

A. Assumptions

1. Enactment of Senate Bill No. 429 would add a new chapter to AS 44. This new chapter pertains to small entities and the possible impact upon them by regulation changes. This bill increases the number of tasks required for notification of possible changes as well as requires a periodic review of all regulations. The estimates which follow are based on the existence of fourteen chapters of regulations of the Department of Administration in the Alaska Administrative Code and the assumption of at least two proposed changes per year per chapter.

B. Listing Of Activities

1. <u>Section</u>	<u>Task Description</u>	<u>Per Proposed Regulation Change</u>
44.63.010	Prepare and publish regulatory flexibility agenda (based upon required six tasks)	6 hours
44.63.020	Prepare initial flexibility analysis (based upon required six tasks)	6 hours
44.63.030	Prepare final flexibility analysis (based upon required three tasks)	5 hours
	TOTAL	17 hours

2. <u>Section</u>	<u>Task Description</u>	<u>Required On Annual Basis</u>
44.63070	Periodic review plan (based upon required five considerations)	10 hours
44.63.070(c)	Prepare and publish current years' review schedule	4 hours
	TOTAL	14 hours

3. Inflation is estimated at 3 percent per year.

B. Staff Requirement

1. Each proposed regulation change is estimated to require 17 hours per year. If two changes are proposed for each chapter of the Department of Administration's regulations which impact small entities, then $2 \times 14 \times 17 = 476$ hours per year of additional processing are required by Senate Bill 429. Additionally, on an annual basis, the periodic review plan and current year's review schedule must be prepared and published requiring $10 + 4 = 14$ hours per year.
2. $476 + 14 = 490$ employee hours \div 47 weeks = 10.43 employee hours/week

COMPUTATION APPENDAGE of FISCAL NOTE ANALYSIS
FOR SENATE BILL 429

1. Additional Staff Requirements Analysis

a. General Government Unit (GGU)

Hours per Year	=	1,950 hours per year
Annual Leave	=	(75)
Five Days Sick Leave	=	(37.5)
Holidays (ten days)	=	(75)
Employee Annual Hours Worked	=	<u>1,762.5 hours per year</u>

1,762.5 hours per year ÷ 37.5 hours per week = 47 weeks per year

b. Staff--one part-time Administrative Assistant I, Range 12

\$12.75 per hour x 10 hours per week x 52 weeks = \$6,630.00
Benefits for less than 15 hours per week: 11.16% = \$ 739. 1

TOTAL: \$7,369.91

2. Other Costs Analysis

Contractual Total: \$10,696

Duplicating--\$196

Assume 28 Initial Flexibility Analyses and 28 Final Flexibility Analyses to be published at four pages each to meet criteria as established by AS 44.63, mailed to 25 interested/impacted small entities:

2 analyses x 28 regulations x 4 pages x 25 parties x \$.035 = \$196

Advertising--\$10,500

Sec. 44.63.010(3)(c) requires publication of the regulatory agenda in "publications likely to be obtained by small entities." Each of the assumed twenty-eight proposed regulatory changes flexibility agendas printed in the newspaper in Fairbanks, Anchorage, and Juneau would cost:

28 agendas x 3 papers x \$125 = \$10,500

Supplies: \$600

1 employee x \$50 month x 12 months = \$600

Position: Administrative Assistant I Staff Months: 3.2 RP Number: _____		No. of Positions: 1 Location: Juneau	Range/Step: 12A Election District: 4	Barg. Unit: G	Gov. Leg.	Approv.	Disapp.
Time Status: Part-time		Justification: <p>Duties would include, but not be limited to:</p> <ol style="list-style-type: none"> 1. Review regulation and determine if a significant impact exists. 2. Prepare regulatory agenda. 3. Prepare flexibility analyses. 4. Prepare final flexibility analyses. 5. Determine duplicative analyses. 6. Oversee the gathering of comments. 7. Periodic review of regulations. 					
Type of Expenditure: 1		Amount: 3					
Salary: 2 6,630							
Benefits: 739							
Premium Pay: 0							
Other: 0							
Total Personal Services: 7,369							
Travel: 0							
Contractual: 3,094							
Commodities: 0							
Equipment: 0							
Other: 0							
Total Cost: 10,463							
Receipt Code: _____		Funding Source: _____					
		Federal Receipts: 1,002					
		G. E. Match: 1003					
		General Funds: 1004					
		I-A Receipts: 1005					
		Program Receipts: 1028					
		CIP Receipts: 1061					
		Other: _____					
For B&M Use Only Key Number: _____							

14/1D1/0326-02/8

**Request For
New Position**

Agency: Administration
 BRU: Administrative Services
 Component: _____

Page 5 of 5
 Revised Date: _____

FY 87

POSITION PAPER
SB 429

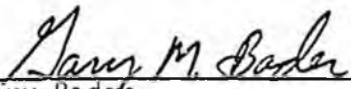
This bill would establish the requirement to publish semiannually a "Flexibility Agenda" in which the department is required to publish a list of regulations they may pursue within the next six months and send a separate notice to any and all small businesses, small government entities, or small organizations which may be impacted, as well as sending a copy to the Office of Enterprise. Prior to commencing public hearings or a period of public input, the department must publish an "initial flexibility analysis" which includes the impact on small entities, identifies which small entities will be impacted, how they will be impacted, what skills will be necessary to comply with the regulations, as well as any alternatives such as different compliance standards for small entities.

Once a regulation is adopted, a final flexibility analysis is required incorporating all factors stated above.

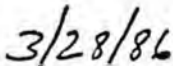
There are two primary regulatory areas that would be impacted by the bill. The area of competitive bidding for State contracts for the purchase of goods, services, and professional services which would impact small businesses; and the regulations governing municipal grants which would impact small government entities. This department has the responsibility of assuring that municipalities for which the monies were appropriated have spent the monies consistent with the stated purposes and in conformance with the grant agreement.

As stated earlier, the vast majority of regulations promulgated by this department does not warrant a distinction between large and small entities, and to be required to comply with the provisions of this bill would be burdensome beyond any benefits derived, as well as create a double standard which would not be in keeping with the best interests of the State.

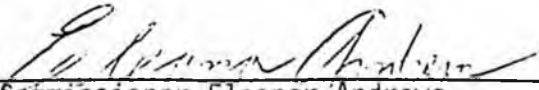
The Department of Administration opposes passage of this bill.



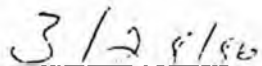
Gary Bader
Director
Division of Administrative Services
Department of Administration



Date



Commissioner Eleanor Andrews
Department of Administration



Date

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: Bill relating to regulations that affect small businesses, etc.
 Sponsor: Fahrenkamp
 Requester: _____
 Date of Request: March 17, 1986

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.
 BRU: Accounting and Collections Administration
 Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		16.0	5.5	5.5	5.5	5.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		16.0	5.5	5.5	5.5	5.5

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER		16.0	5.5	5.5	5.5	5.5
TOTAL		16.0	5.5	5.5	5.5	5.5

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

See attached.

Prepared by: Margaret I. Hamley, Director
 Division: Accounting and Collections
 Approved by Commissioner: Loren S. Hunsbury
 Agency: Commerce and Economic Development

Phone: 465-2555
 Date: March 19, 1986
 Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

The division has regulations in effect relating to the administration of the 13 loan programs in this department.

This fiscal note assumes the minimum additional workload to comply with Periodic Review of Regulations (AS 44.63.070) and promulgation of new or amended regulations (AS 44.63.010-.060). This is foreseen as an effort which can be accommodated by a professional service contract. This approach is believed to be the most efficient, least-cost approach.

CONTRACTUAL SERVICES

FY 87

Professional Service Contract: 3 months @ \$5.0	\$15.0
Printing and Postage	<u>1.0</u>
	\$16.0

The contractor will be required to prepare and implement the overall plan to review the division's current regulations within the time frame specified in the proposed legislation. The contractor will coordinate publishing in the Alaska Administrative Journal, receive public comment, analyze the criteria set out under proposed AS 44.63.070(b)(1-5), and prepare a recommendation supporting continuation, amendment or repeal of the regulations.

FY 88 - FY 91

Professional Service Contract: 1 month @ \$5.0	\$ 5.0
Printing and Postage	<u>.5</u>
	\$ 5.5

The contractor will perform the flexibility analysis as required for promulgating new or amended regulations.

SB 429 (Continued)
FISCAL NOTE

FUNDING SOURCE

<u>NUMBER</u>	<u>FUND NAME</u>	<u>FY 87</u>	<u>EACH YEAR FY 88-FY 91</u>
1035	Veterans RLF	3.7	1.3
1036	Commercial Fishing RLF	3.0	1.0
1057	Small Business RLF	2.0	.7
1058	Tourism RLF	.3	.1
1067	Mining RLF	1.5	.5
1068	Child Care RLF	.4	.1
1069	Historical Districts RLF	.1	.1
1070	Fisheries Enhancement RLF	.3	.1
1071	Alternative Energy RLF	2.4	.8
1072	Residential Energy Conservation RLF	1.8	.6
1073	Power Development RLF	.3	.1
1074	Bulk Fuel RLF	<u>.2</u>	<u>.1</u>
	TOTAL	\$16.0	\$5.5

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST	FISCAL DETAIL
Bill/Resolution No.: <u>SB 429</u>	Agency Affected: <u>APUC</u>
Title: <u>Reg. that affects small business, small org. and small gov. jurisdictions</u>	BRU: <u>APUC</u>
Sponsor: <u>Fahrenkamp</u>	Components: _____
Requester: _____	_____
Date of Request: _____	_____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		5.0	5.0	5.0	5.0	5.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		5.0	5.0	5.0	5.0	5.0

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of dollars)

GENERAL FUND		5.0	5.0	5.0	5.0	5.0
FEDERAL FUNDS						
OTHER						
TOTAL		5.0	5.0	5.0	5.0	5.0

POSITIONS:

FULLTIME						
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Public utilities are, in essence, given an exclusive franchise by the commission to operate in their defined service areas, which would constitute them as dominant entities in their field. Thus, it is arguable whether the provisions of the legislation would be applicable to the regulations of the commission.

Prepared by: T. S. Moninski, Deputy Director
 Division: APUC
 Approved by Commissioner: *Loren K. Loumbury*
 Agency: _____

Phone: 276-6222
 Date: 3/19/86
 Date: 3/21/86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

Moreover, the commission notes that it has geared its regulations in several respects to consider the size of the utilities covered by them. For example, uniform systems of accounts, rate design, cost of service, and load research requirements are based on the utility size. Moreover, in practice, the commission's staff is directed to provide small utilities with assistance to the greatest extent possible. The commission is always sympathetic to waivers of specific statutory or regulatory requirements where the intended public benefits are clearly outweighed by the burdens imposed on small utilities.

The projected expenses reflected in this fiscal note are the estimated costs of public notices and newspaper advertising associated with regulations review. If it is determined that this bill is applicable to public utilities, these direct costs would be incurred. Also necessary would be the annual commitment of approximately five person-months of effort on the part of commissioners and staff in performing the review and analysis required. Although this allocation would not require an addition of new positions, it would be made at the expense of other regulatory responsibilities. Clearly, other statutory time frames would be negatively impacted at the very time when the Legislature is considering proposals to shorten the processing time for most commission proceedings.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
Title: "An Act relating to regulations that effect small businesses."

Sponsor: Senator Fahrenkamp
Requester: _____
Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.
BRU: Real Estate Commission

Components: Economic Development

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		42.0	43.5	22.5	23.5	23.5
TRAVEL		4.0	4.0	3.0	3.0	3.0
CONTRACTUAL		3.0	3.0	1.5	1.5	1.5
SUPPLIES		1.0	1.0	1.0	1.0	1.0
EQUIPMENT		5.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		55.0	51.5	28.0	29.0	29.0

CAPITAL		-0-	-0-	-0-	-0-	-0-
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REVENUE		-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND		55.0	51.5	28.0	29.0	29.0
FEDERAL FUNDS		-0-	-0-	-0-	-0-	-0-
OTHER		-0-	-0-	-0-	-0-	-0-
TOTAL		55.0	51.5	28.0	29.0	29.0

POSITIONS:

FULLTIME		1	1	-0-	-0-	-0-
PARTTIME		-0-	-0-	1	1	1
TEMPORARY		-0-	-0-	-0-	-0-	-0-

ANALYSIS: Attach a separate page if necessary.

To comply with this act and enact the regulations needed, the commission would require a full-time regulations specialist for the first two years and then at least a half-time regulations specialist for the years after that. The act would add enormously to the paperwork burden in producing regulations.

Prepared by: James L. Magowan
Division: Real Estate Commission

Phone: 563-2169
Date: March 19, 1986

Approved by Commissioner: *Louis S. Lumberg*
Agency: _____

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: An Act relating to regulations that effect small businesses

FISCAL DETAIL

Agency Affected: Commerce and Economic Dev.
 BRU: Banking and Securities

Sponsor: Fahrenkamp
 Requester: _____
 Date of Request: _____

Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Prepared by: Willis Kirkpatrick Phone: 465-2521
 Division: Division of Banking, Securities and Corporations Date: March 21, 1986

Approved by Commissioner: *Don S. Brown* Date: March 21, 1986
 Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST Bill/Resolution No.: <u>SB 429</u> Title: <u>Relating to regulations that affect small business, small organizations and small governmental, etc.</u> Sponsor: <u>Senator Fahrenkamp</u> Requester: <u>Fahrenkamp</u> Date of Request: _____	FISCAL DETAIL Agency Affected: <u>Commerce & Econ. Dev.</u> BRU: _____ Components: <u>Public Protection</u> _____ _____
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EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		25.0	25.0	25.0	25.0	25.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		25.0	25.0	25.0	25.0	25.0

CAPITAL		-0-	-0-	-0-	-0-	-0-
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REVENUE		-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND		25.0	25.0	25.0	25.0	25.0
FEDERAL FUNDS						
OTHER						
TOTAL		25.0	25.0	25.0	25.0	25.0

POSITIONS:

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

The bill requires the acquisition and use of data concerning cost impact of regulation components of the overall group regulated by the division. We do not have in-house expertise in this area, so it will be necessary to contract for these needs. The amount shown is an estimate. Based on the size of the group regulated, we feel it is conservative.

Prepared by: John George, Director *P.R. Todd* Phone: 465-2515
 Division: Division of Insurance Date: March 21, 1986
 Approved by Commissioner: *Donna S. Lounsbury* Date: March 21, 1986
 Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST	FISCAL DETAIL
Bill/Resolution No.: <u>SB 429</u>	Agency Affected: <u>Commerce & Econ. Dev.</u>
Title: <u>"An Act relating to regulations providing for an effective date."</u>	BRU: <u>Division of Investments</u>
Sponsor: <u>Senator Fahrenkamp</u>	Components: <u>Economic Development</u>
Requester: _____	_____
Date of Request: _____	_____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		7.0	0.5	0.5	0.5	0.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		7.0	0.5	0.5	0.5	0.5

CAPITAL		-0-	-0-	-0-	-0-	-0-
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REVENUE		-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND		7.0	0.5	0.5	0.5	0.5
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

To satisfy the requirement that all existing regulations (12 loan programs) be reviewed and analyzed, a one-month professional services contract at \$5,000 will be let in FY 87. Advertising, printing, and mailing costs are estimated at \$2,000 for the initial review in FY 87 and \$500 for new regulations and changes in succeeding years.

Prepared by: Paul B. Arnoldt
Division: Division of Investments

Phone: 465-2510
Date: March 19, 1986

Approved by Commissioner: Loon S. Loonshing
Agency: Commerce and Economic Development

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
Title: Regulatory Flexibility Act

Sponsor: Senator Fahrenkamp
Requestor: Tom Moyer
Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.
BRU: Economic Development Advocates

Components: Office of Enterprise
"Small Business Development"

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES	-0-	147.2	147.2	147.2	147.2	147.2
TRAVEL	-0-	6.9	7.2	7.6	8.0	8.4
CONTRACTUAL	-0-	6.7	7.2	7.6	8.0	8.4
SUPPLIES	-0-	2.3	.8	.8	.9	.9
EQUIPMENT	-0-	11.5	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	174.6	162.4	163.2	164.1	164.9

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	174.6	162.4	163.2	164.1	164.9
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	174.6	162.4	163.2	164.1	164.9

POSITIONS:

FULL-TIME	-0-	3	3	3	3	3
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

See attached.

Prepared by: Bonnie Jc Borchick
Division: Office of Enterprise

Phone: 465-2018
Date: March 19, 1986

Approved by Commissioner: *Bonnie Jc Borchick*
Agency: Commerce and Economic Development

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SB 429 (Revised)
Fiscal Note

71000	<u>PERSONAL SERVICES</u>		<u>FY 87 COSTS</u>
	Economist II	\$ 55,500.00	147.2
	Research Analyst III	48,860.00	
	Regulations Specialist II	42,809.00	
	TOTAL	\$147,169.00	
72000	<u>TRAVEL</u>		
	7 trips to Anchorage @ \$352 (per diem 3 days @ \$80 x 7)	\$ 2,464.00 1,680.00	6.9
	2 trips to Seattle @ \$452 (per diem 3 days @ \$80 x 2)	904.00 480.00	
	2 trips to Fairbanks @ \$422 (per diem 3 days @ \$80 x 2)	844.00 480.00	
	TOTAL	\$ 6,852.00	
73000	<u>CONTRACTUAL</u>		
	Telephone \$75 x 12	\$ 900.00	6.7
	Telephone (L.D.) \$150 x 12	1,800.00	
	Subscriptions & membership	1,500.00	
	Postage fees \$110 x 12	1,320.00	
	Forms & printing	1,200.00	
	TOTAL	\$ 6,720.00	
74000	<u>SUPPLIES</u>		
	Stationery & copier supplies	\$ 300.00	2.3
	Desk supplies	750.00	
	Typing supplies	150.00	
	Forms	300.00	
	Three calculators @ \$250	750.00	
	TOTAL	\$ 2,250.00	
75000	<u>EQUIPMENT</u>		
	3 workstations, 3 chairs (including side chairs, panels, overhead file cabinets @ \$3,500 each)	\$ 10,500.00	11.5
	3 four-drawer legal files w/locks @ \$322.20 each	966.60	
	TOTAL	\$ 11,466.60	
FY 87 GRAND TOTAL			174.6

		<u>FY 88</u> <u>COSTS</u>	<u>FY 89</u> <u>COSTS</u>	<u>FY 90</u> <u>COSTS</u>	<u>FY 91</u> <u>COSTS</u>
71000	<u>PERSONAL SERVICES</u>				
	Same as FY 87	147.2	147.2	147.2	147.2
72000	<u>TRAVEL</u>				
	Same as FY 87 x 5%	7.2	7.6	8.0	8.4
73000	<u>CONTRACTUAL</u>				
	Same as FY 87 x 5%	7.2	7.6	8.0	8.4
74000	<u>SUPPLY</u>				
	same as FY 87 x 5% (use desk supplies and calculators)	.8	.8	.9	.9
75000	<u>CAPITAL/EQUIPMENT</u>				
	None	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	GRAND TOTAL	162.4	163.2	164.1	164.9

Position Title Research Analyst III		RP Number	
File Status PFT	Staff Months 12		
Type of Expenditure 1	Amount 3		
Costs	37.3		
Benefits	11.5		
Pension Pay			
Other			
Total Personnel Services	48.8		
Travel	-0-		
Contractual	2.2		
Commodities	.8		
Equipment	3.8		
Other			
Total Cost	55.6		
Received Code	Funding Source		
	Federal Receipts 1002		
	C. F. Match 1003		
	General Funds 1001	55.6	
	F-A Receipts 1005		
	Program Receipts 1028		
	CFR Receipts 1004		
	Other		
<p>Top of Positions</p> <p>Range/Step 18A</p> <p>Barry Unit</p> <p>Election District</p> <p>Gov. 1976</p> <p>Approv.</p> <p>Disapp</p> <p>Location Juneau</p> <p>Justification</p> <p>The Research Analyst III will obtain and analyze information and data on the consequence of new regulations. The analyst will also assist the the Economist II in his analysis and will report directly to the Economist II. This will require an understanding of both economics and regulations.</p>			

For BEM Use Only
Key Number

FY 87

Page _____ of _____
Revised Date _____

Agency **Commerce & Economic Development**
BRU
Component **Economic Development Advocates**
Small Business Administration

Request for New Position

Position Title	Regulations Specialist II		RP Number	
Line Status	Staff Months			
PFT	12			
No. of Positions	Range/Step	Barp. Unit	Class.	Disapp.
1	16A	Election District	Leg.	
Location	Juneau			

Justification

The Regulations Specialist II will represent this agency, Department of Commerce & Economic Development, in interpreting administrative statutes and regulations pursuant to AS 44.63.090. This position will perform technical research and evaluations of statutes, regulations, and amend proposed regulations, act as liaison between regulatory boards and/or commissions and the Department of Law in submitting regulations under the Alaska Administrative Procedure Act.

Type of Expenditure	Annual
1	3
Salary	32.4
Benefits	10.4
Premium Pay	
Travel	42.8
Contractual	6.9
Commodities	2.2
Equipment	.8
Other	3.8
Total Cost	56.5

Receipt Code	Funding Source
	Federal Receipts 1002
	G. F. Match 1003
	General Funds 1004
	F-A Receipts 1005
	Program Receipts 1028
	CIP Receipts 1061
	Other
	56.5

For BESH Use Only
Key Number

FY 87

Page _____ of _____
Revised Date _____

Agency Commerce & Economic Development
BRU Economic Development Advocates
Component Small Business Administration

Request for
New Position

Position Title Economist II	Range/Step 20A	Range Unit 6	Gov. Leg.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Juneau Justification		
Type of Expenditure	Amount	The Economist II will be responsible for determining the economic consequences of new regulations. This will include obtaining or directing a research analyst to obtain the requisite data for analysis, quantitative analysis of the regulations, economic consequences, and economic policy alternatives and consequences as they impact business statewide.			
Salaries	42.8				
Benefits	12.7				
Premium Pay					
Costs					
Total Personnel Services	55.5				
Travel	-0-				
Contractual	2.2				
Commodities	.8				
Equipment	3.8				
Other					
Total Cost	62.3				
Receipt Cycle	Funding Source				
	Federal Receipts	1000			
	G. F. Match	1003			
	General Funds	1004	62.3		
	F-A Receipts	1005			
	Program Receipts	1025			
	CIP Receipts	1060			
	Other				
For B&M Use Only Key Number					

Request For
New Position

Agency Commerce & Economic Development
 BRU Economic Development Advocates
 Component Small Business Administration

Page _____ of _____
 Revised Date _____

FY 87

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: An Act relating to regulations that affect small businesses, small organizations, and small gov. juris.
 Sponsor: Senator Fahrenkamp
 Requester: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Economic Dev.
 BRU: Occupational Licensing
 Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		-0-	-0-	-0-	-0-	-0-
TRAVEL		-0-	-0-	-0-	-0-	-0-
CONTRACTUAL		20.9	20.9*	20.9*	20.9*	20.9*
SUPPLIES		-0-	-0-	-0-	-0-	-0-
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		20.9	20.9*	20.9*	20.9*	20.9*

CAPITAL						
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REVENUE		-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND		20.9	20.9	20.9	20.9	20.9
FEDERAL FUNDS						
OTHER						
TOTAL		20.9	20.9	20.9	20.9	20.9

POSITIONS:

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

The bill adds four new requirements to the process of adopting regulations to ensure special consideration that notices and public hearings are given to small entities.

Although Section 44.63.200(a) of the bill provides each agency with the flexibility to amend the definition of "small business" or "small organization" as appropriate (see attached)

Prepared by: Jennifer Strickler Management Analyst
 Division: Occupational Licensing

Phone: 465-2144
 Date: 3-19-86

Approved by Commissioner: [Signature]
 Agency: Commerce and Economic Development

Date: 3-20-86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

to the activities of the agency, Occupational Licensing has no method to differentiate small versus large businesses currently licensed.

Contractual expenditures will result from printing, postage and hearing costs of providing direct notification to all licensees within each professional occupation which has the potential of including "small entities".

*Costs have been repeated in subsequent years since, without actually experiencing the impact of this bill, it is extremely difficult to predict future charges for the variables involved.

It is expected that this legislation will delay the length of processing time currently required for each individual regulation project from approximately six months to nine months.

In addition, to comply with provisions to be included in each notice, much of the attention of the Regulations Specialist would be devoted to satisfying these new requirements.

The Division assists in the regulatory process of 23 licensing areas including regulations promulgated under the Centralized Licensing Act. During each year, approximately 20 regulation topics are handled within each licensing occupation.

Therefore, having to prepare an initial flexibility analysis, final flexibility analysis and conduct periodic review of regulations, in addition to the initial review of all existing regulations before 1991, may require a new Regulations Specialist position in the future to keep up with the increased workload.

Contractual costs were based on:

- | | |
|--|---------------|
| 1. Printing costs at .36¢ per document multiplied by the number of affected licensees within each occupation; | \$ 8.7 |
| 2. Postage costs of .22¢ multiplied by the number of affected licensees; | 5.3 |
| 3. Public Notice costs printed in three newspapers of general circulation, which is standard practice within this agency; | 2.1 |
| 4. Public Hearing costs using the teleconference network based on the standard two hour hearing at \$50 per site, per hour, and assuming that the sites of Anchorage, Fairbanks and Juneau are on the network; | 4.8* |
| | <u>\$20.9</u> |

*Note: Hearing costs for 4 licensing areas were based on a one hour teleconference because of the small number of licensees affected.

The above calculation is a summary of more detailed calculations on file with this agency.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST	FISCAL DETAIL
Bill/Resolution No.: <u>SB 429</u>	Agency Affected: <u>Oil & Gas Conservation Comm.</u>
Title: <u>An Act relating to regulations that affect small businesses, small organizations, and small governmental jurisdictions</u>	BRU: <u>Oil & Gas Conservation</u>
Sponsor: <u>Senator Fahrenkamp</u>	Components: <u>Operations</u>
Requester: _____	_____
Date of Request: <u>March 17, 1986</u>	_____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Prepared by: C.V. Chatterton
 Division: Oil & Gas Conservation Commission
 Approved by Commissioner: *Louise Lounsbury*
 Agency: _____

Phone: 279-1433
 Date: March 19, 1986
 Date: 3/21/86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 429
 Title : An Act relating to regulations that affect small businesses, small organizations and small government jurisdictions.
 Sponsor : Senator Fahrenkamp
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL

Agency Affected: Community & Regional Affairs
 BRU : _____
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL		6.8	7.1	7.4	7.7	8.0
CONTRACTUAL		40.75	42.6	44.6	46.6	48.7
SUPPLIES		2.5	2.6	2.8	2.9	2.9
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		50.1	52.3	54.8	57.2	59.6

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		50.1	52.3	54.8	57.2	59.6
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached fiscal note analysis for the Divisions of Municipal and Regional Assistance and Community Development.

Prepared by : Jennifer Fate Phone : 465-4700
 Division : Commissioner's Office Date : 4/4/86

Approved by Commissioner : Emil Notti Date : 4/4/86
 Agency : Community and Regional Affairs

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429
Municipal and Regional Assistance Division

EXPLANATION

The requirements of this bill will add a substantial amount of time, cost and effort to the regulation drafting and implementation process. The language of the bill is somewhat vague so it is difficult to determine with a great deal of precision what the exact costs of this measure will be on this Division. The preparation and distribution of regulatory agendas, initial and final flexibility analyses, and more extensive notification and comment gathering procedures are additional tasks that will be costly. Quantifying the effects of proposed regulations and alternatives will also consume resources for which this agency does not presently budget.

This fiscal note reflects a desire to avoid hiring new staff as the costs of complying with this bill would occur on an intermittent basis. Much of the regulation drafting now done by the Division is performed by program staff. Much of this actual drafting would be contracted out to attorneys to allow staff to perform the new agenda, analysis, and notification duties.

ASSUMPTIONS

It is assumed that the Division will annually undertake three major regulation efforts related to new programs, or substantially revise regulations of existing programs. An annual inflation rate of 5% is applied to fiscal years after FY 87.

FISCAL ANALYSIS

<u>Travel</u>	1,800
3 additional trips per year for program managers to conduct open conferences or public hearings as required under AS 44.63.060. 3 trips @ \$600 per (includes per diem)	1,800
<u>Contractual</u>	22,000
Professional Services - attorney fees for regulation drafting 120 hours @ \$125 per	15,000
<u>Contractual</u> (cont'd)	
Communications - Toll call for teleconference public hearings and open conference	5,000
Postage for additional notification	1,000
Advertising and printing	1,000
<u>Supplies</u>	500
Office Supplies for Notification	500

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429
Division of Community Development

Explanation:

The implementation of this bill would substantially increase the cost of regulation drafting and implementation. Since regulations are drafted and updated on an irregular basis, it is difficult to estimate the actual increased cost for any given year. However, we can say with certainty that for each set of regulations drafted or updated, the cost would increase by at least one third. The additional expense can be attributed to the preparation and distribution of regulatory agendas, initial and final flexibility analyses, and the increased notification and comment solicitation procedures.

Assumptions:

For purposes of responding to this request we are assuming that DCD will be involved with three separate regulation draftings or updates during each of the coming five (5) years. Under the present system we would estimate that this activity would require the equivalent of one staff person's full time attention for ninety (90) days. We would also estimate that the new requirements included in SB 429 would increase the activity by one third, or the equivalent of one person's full time attention for thirty (30) days. Because the increased activity has legal implications we would want to budget for 150 hours of contractual legal services.

We estimate that each of the three separate legal activities would require at least three and a half ($3\frac{1}{2}$) trips, so we have included a total of ten (10). We also estimate that the combined cost of supplies itemized in the fiscal note would cost \$2,000.00. The cost increase for each year reflects a 4% increment. We believe our estimates are probably conservative.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 429
 Title : "An Act relating to regulations that affect small businesses, organizations, and governmental jurisdictions"
 Sponsor : Senator Fahrenkamp
 Requestor : _____
 Date of Request : March 28, 1986

FISCAL DETAIL

Agency Affected: Department of Corrections
 BRU : _____

 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		-0-	-0-	-0-	-0-	-0-
TRAVEL		-0-	-0-	-0-	-0-	-0-
CONTRACTUAL		-0-	-0-	-0-	-0-	-0-
SUPPLIES		-0-	-0-	-0-	-0-	-0-
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS		-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS		-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-	-0-	-0-

POSITIONS :

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : Nadine Winters
 Division : Special Assistant

Phone : 465-3376
 Date : March 28, 1986

Approved by Commissioner : *N. Winters*
 Agency : Department of Corrections

Date : March 28, 1986

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date : _____

REQUEST

Bill/Resolution No. : SB - 429
 Title : ...regulations that affect...
 small governmental jurisdictions...
 Sponsor : Fahrenkamp
 Requestor : Senate Labor and Commerce
 Date of Request : March 25, 1986

FISCAL DETAIL

Agency Affected : Department of Education
 BRU : Executive Administration
 Components : Commissioner's Office

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		33.6	33.6	33.6	33.6	33.6
TRAVEL		3.0	3.0	3.0	3.0	3.0
CONTRACTUAL		5.0	5.0	5.0	5.0	5.0
SUPPLIES		5.0	5.0	5.0	5.0	5.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		46.6	46.6	46.6	46.6	46.6

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		46.6	46.6	46.6	46.6	46.6
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Personnel costs are a result of administrative activities required by first section 2. These will require the addition of an administrative assistant. Nonpersonnel costs are a result of increased number of publications and public hearings.

Prepared by : Steve Hole Phone : 465-2800
 Division : Commissioner's Office Date : March 27, 1986

Approved by Commissioner : Marshall L. Lind Date : March 27, 1986
 Agency : Department of Education

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 429
 Title: Regulations affecting small businesses, et al.
 Sponsor: Senator Fahrenkamp
 Requestor: Senators Fahrenkamp & Zharoff
 Date of Request: 3/24/86

FISCAL DETAIL

Agency Affected: ADEC
 BRU: Environmental Quality
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		72.7	73.0	73.3	73.6	73.9
TRAVEL		1.5	1.5	1.5	1.5	1.5
CONTRACTUAL		5.0	3.0	3.0	3.0	3.0
SUPPLIES		1.5	1.6	1.7	1.8	1.9
EQUIPMENT		3.6	.5	.5	.5	.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		84.3	79.6	80.0	80.4	80.8

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		84.3	79.6	80.0	80.4	80.8
FEDERAL FUNDS						
OTHER						
TOTAL		84.3	79.6	80.0	80.4	80.8

POSITIONS :

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached

Prepared by: Billie Trent Phone: 465-2600
 Division: Office of the Commissioner Date: 3/27/86

Approved by Commissioner: Bill Ross Date: 3/28/86
 Agency: Environmental Conservation

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 420

While the Department of Environmental Conservation certainly supports and encourages the concept of responsiveness of government to the public it serves, the ability to do so will (for this legislation, at least) require the hiring of a Research Analyst III and a half-time Clerk Typist III. We also envision the need for minimal contractual services when proposed regulatory changes involve complex matters affecting a diverse population.

We would point out that many of our regulations have federal mandates behind them, requiring federal approval before promulgation. If such regulations were excluded from the requirements of AS 44.63.020 and AS 44.63.030 (although AS 44.63.030(a)(1) and (2) represent theories of responsible rule-making which we support), we could reduce our fiscal note to a half-time Research Analyst III with minimal contractual services.

Position Title Research Analyst III		No. of Positions 1		Range/Step 18A		Barg. Unit GGU		Gov. L-3		Disapp.	
Time Status PFT		Staff Months 12		Election District		Location Juneau		Approv.		Disapp.	

Justification

Because of the complex nature of this agency's programs, and the wide variety of entities and individuals served and affected, this position's expertise would be required to provide the various analyses and reports and summaries required by the legislation.

This position would coordinate data from staff who write regulations, from affected entities, and from other appropriate sources, analyzing impact and making recommendations to staff; preparing required analyses, documents, and notices, with staff input and evaluation to correlation between data, federal requirements, and the like.

For more complex matters, this position would work closely with an economics-type contractor to achieve the provisions of the law.

Costs associated with this position include average per-employee costs for contractual and commodities. Equipment expense for a desk, chair, etc. are a one-time expenditure.

Type of Expenditure	Amount
1	3
Salary	37,596
Benefits	12,324
Premium Pay	
Other	
Total Personal Services	49,920
Travel	1,500
Contractual	2,000
Commodities	1,000
Equipment	2,000
Other	
Total Cost	56,420

Receipt Code	Funding Source	Amount
	Federal Receipts 1002	
	G. F. Match 1003	
	General Funds 1004	56,420
	I-A Receipts 1005	
	Program Receipts 1028	
	CIP Receipts 1061	
	Other	

For B&M Use Only
Key Number

FY 87

Page 3 of 4
Revised Date

Agency Environmental Conservation
BRU Environmental Quality
Component

**Request For
New Position**

Position Title Clerk Typist III		No. of Positions 1		Range/Step 8A		Barg. Unit (811)		Gov. Leg		Approv.		Disapp.			
Time Status Half-time		Staff Months 6		RP Number		Election District		Location Juneau		Justification					
<p>This position would provide clerical support to the Research Analyst III and regulations-writing staff in handling the clerical duties imposed by this legislation, including maintenance of the records accumulated.</p> <p>Costs associated with this position are average per-employee costs. The equipment expense for a desk, chair, etc. is a one-time expenditure.</p>															
Type of Expenditure		Amount													
1		2		3											
Salary		10,153													
Benefits		3,851													
Premium Pay															
Other															
Total Personal Services		14,004													
Travel															
Contractual		2,000													
Commodities		1,000													
Equipment		1,600													
Other															
Total Cost		18,604													
Receipt Code		Funding Source													
		Federal Receipts 1002													
		G. F. Match 1003													
		General Funds 1004		18,604											
		I-A Receipts 1005													
		Program Receipts 1028													
		CIP Receipts 1061													
		Other													
For B&M Use Only												Key Number			

FY 87

Page 4 of 4
Revised Date

Agency: Environmental Conservation
BRU: Environmental Quality
Component:

Request For
New Position

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST
 Bill/Resolution No. : SB 429
 Title : An Act relating to regulations that affect small businesses, small organizations, & small gov. jurisdictions
 Sponsor : Senator Fahrenkamp
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL
 Agency Affected : Health & Social Services
 BRU : DHSS Administrative Services
 Components : Commissioner's Office

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		100.2	103.7	107.3	111.1	115.0
TRAVEL		9.5	9.8	10.1	10.5	10.9
CONTRACTUAL		9.3	9.6	9.9	10.2	10.6
SUPPLIES		5	6	7	8	9
EQUIPMENT		14.9				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		134.4	123.7	128.0	132.6	137.4

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		134.4	123.7	128.0	132.6	137.4
FEDERAL FUNDS						
OTHER						
TOTAL		134.4	123.7	128.0	132.6	137.4

POSITIONS :

FULL-TIME		2	2	2	2	2
PART-TIME		1	1	1	1	1
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached.

Prepared by : Joanne C. Clark *JCC* Phone : 465-3082
 Division : Budget & Finance Date : 4/4/86

Approved by Commissioner : *J. R. Poy* Date : 7/7/84
 Agency : Dept. of Health & Social Services

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SB 429

An assumption is made that the Department has an average of 10 major new regulations or regulations amendment projects yearly and 20 smaller or emergency regulations projects yearly.

A team of three new staff persons would be needed to work with the Special Assistant to the Commissioner for Legal Affairs. This team would aid staff of the divisions promulgating regulations in preparing the flexibility analyses required in the bill and setting up the plans for regulations review.

Summary of Costs -- FY87

Personal Services - salary, benefits, overtime for 3 staff	100.2
Travel - for hearings, meeting with affected public	9.5
Contractual - communications, risk management, equipment maintenance, advertising	9.3
Supplies - office supplies	.5
Equipment - 3 desks, 3 chairs, 3 calculators, 1 IBM Displaywriter, 1 bookcase, 1 file cabinet	14.9

TOTAL	134.4

Costs for years beyond FY87 are adjusted by 3.5% yearly. Equipment costs are one time only.

Position Title Regulations Specialist II		No. of Positions 1		Range/Step 16A	Barg. Unit GGU	Gov. L-8	Disapp.
Time Status PET	Staff Months 12	RP Number	Location AWA		Election District	Approv.	

Justification

This position would work with the Special Assistant and division staff to review existing regulations, prepare flexibility analysis, participate in hearings, and revise regulations as necessary. This position would be responsible for determining which entities would be affected by a regulation and assuring that those entities had adequate notice.

Type of Expenditure	Amount
1	3
Salary	32,424
Benefits	8,002
Premium Pay	
Other	
Total Personal Services	40.4
Travel	2.5
Contractual	3.5
Commodities	0.2
Equipment	1.8
Other	
Total Cost	48.4

Receipt Code	Funding Source	Amount
	Federal Receipts 1002	
	G. F. Match 1003	
	General Funds 1004	48.4
	I-A Receipts 1005	
	Program Receipts 1028	
	CIP Receipts 1061	
	Other	

For B&M Use Only
Key Number

FY 87

Agency Health & Social Services
 BRU DISS Admin. Services
 Component Commissioner's Office

Request For
New Position

Page _____ of _____
Revised Date _____

Position Title Management Analyst III		No. of Positions 1		Range/Step 18A	Darg. Unit GGU	Gov. LCS	Approvs.	Disapp.
Time Status PPT	Staff Months 12	RP Number	Location AWA		Election District			
Justification								
This position would work with the Special Assistant and division staff to determine effect of regulations on small businesses, small organizations, and small governments. This person would have to attend hearings, talk to persons potentially affected by regulations, and work with the Regulations Specialist to determine impacts. This person would also work on preparation of initial and final flexibility analysis.								
Type of Expenditure		Amount						
1	2	3						
Salary	37,356							
Benefits	9,182							
Premium Pay								
Other								
Total Personal Services		46.5						
Travel		7.0						
Contractual		3.5						
Commodities		0.2						
Equipment		1.6						
Other								
Total Cost		58.8						
Receipt Code		Funding Source						
		Federal Receipts 1002						
		G. F. Match 1003						
		General Funds 1004		58.8				
		I-A Receipts 1005						
		Program Receipts 1028						
		CIP Receipts 1061						
		Other						
For B&M Use Only Key Number								

FY 87

Page _____ of _____
Revised Date _____

Agency Health & Social Services
BRU
Component
DHSS Admin. Services
Commissioner's Office

Request For
New Position

Position Title		Clerk Typist III	
Time Status	Staff Months	RP Number	
PPT	6		
No. of Positions	Range/Step	Barry Unit	Disappr.
1	8A	Election District	
Location	AWA		Gov. Leg.
Justification			

This position would provide typing, filing, and document tracking support for the regulations team. The position would prepare required notices and assure that they were filed properly.	
Type of Expenditure	Amount
1	2
Salary	9.786
Benefits	2.681
Premium Pay	800
Other	
Total Personal Services	13.3
Travel	
Contractual	2.3
Commodities	0.1
Equipment	11.5
Other	
Total Cost	27.2
Receipt Code	
Funding Source	
Federal Receipts	1002
G. F. Match	1003
General Funds	1004
I-A Receipts	1005
Program Receipts	1028
CIP Receipts	1061
Other	
Total 27.2	
For B&M Use Only	
Key Number	

FY 87

Agency Health & Social Services
 BRU DHSS Admin. Services
 Component Commissioner's Office

Request For
 New Position

Page of
 Revised Date

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revised Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: An act relating to regulations that effect small businesses; small organizations, etc.
 Sponsor: Fahrenkamp
 Requestor: Senate Labor & Commerce
 Date of Request: 2/18/86

FISCAL DETAIL

Agency Affected: Labor
 BRU: Commissioner's Office
 Components: Commissioner's Office

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		72.4	72.4	72.4	72.4	72.4
TRAVEL						
CONTRACTUAL		34.0	34.2	34.3	34.5	34.7
SUPPLIES		1.5	1.6	1.6	1.7	1.8
EQUIPMENT		3.2	-	-	-	-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		111.1	108.2	108.3	108.6	108.9

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		111.1	108.2	108.3	108.6	108.9
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		2	2	2	2	2
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

(See Attached)

Prepared by: *B* Eileen Plate
 Division: Commissioner's Office
 Approved by Commissioner: *B* Jim Robison *Jim Robison*
 Agency: Labor

Phone: 465-2700
 Date: 3/28/86
 Date: 3/28/86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

In order for the department to comply with the provisions of SB 429, the addition of two staff members would be necessary. A Regulations Specialist II and a Clerk Typist III, both located in Juneau, would be necessary for the additional research, analyses and documentation required by the bill. (See attached new Position Justification Forms for detail).

More specifically, the Regulation Specialist would be responsible for developing the Department's agenda of proposed regulations twice yearly, and for the review of departmental regulations before July 1, 1991. Also, this position would be responsible for coordinating with consulting firms to prepare the initial "flexibility analysis" on all proposed regulations. Expertise does not currently exist in the department to complete this type of analysis. We estimate \$30,000 in contracts would be required each year. The Regulations Specialist would be able to prepare the final analysis.

Also required is additional published information when notices of regulations are placed in newspapers. We estimate an addition of \$6,000 in advertising expenses each year to meet these requirements.

Assumptions:

1. The department would have 10 regulation proceedings a year that would fall under the requirements of this bill.
2. Effective date of July 1, 1986.
3. Annual inflation of 4% on non-personal service items.

Position Title Regulations Specialist II	Staff Months 12	RP Number	No. of Positions 1	Range/Step 16A	Bagg. Unit (Full)	Gov. Leg.	Disapp.
Time Status PFT			Location Juneau	Election District			

Justification

This position would be responsible for coordinating the department's activity in meeting the requirements of this bill. The person would review all proposed regulations to determine if they are justified and develop 1) the agenda of proposed regulations twice yearly and 2) a plan for periodic review of the Department's regulation as required under this bill. The position would contract with consulting firms for the completion of the initial "flexibility analysis". This position would complete the final "flexibility analysis".

Costs associated with this position would include average per-employee costs for contractual and commodities. The equipment expense for a desk, chair, etc. would be a one-time cost.

Type of Expenditure	Amount
1	3
2	
Salary	33,660
Benefits	10,775
Premium Pay	
Other	
Total Personal Services	44,436
Travel	0
Contractual	2,000
Commodities	500
Equipment	1,600
Other	
Total Cost	48,535

Receipt Code	Funding Source
	Federal Receipts 1002
	G. F. Match 1003
	General Funds 1004
	I-A Receipts 1005
	Program Receipts 1028
	CIP Receipts 1061
	Other
	48,535

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Key Number

**Request For
New Position**

Agency Labor
BRU Commissioner's Office
Component Commissioner's Office

Page 3 of 4
Revised Date

FY 87

Position Title	Clerk Typist III		
Time Status	PFT	Staff Months	12
No. of Positions	1	Range/Step	8A
Location	Juneau	Barg. Unit	GGII
		Election District	
		Gov.	Leg.
		Approv.	Disapp.

Justification

This position would handle the clerical duties associated with this bill. The position would keep records of all proposed actions on all regulations in the department and assure the additional documentation requirements of this bill are met. This person would make sure all correspondence was properly handled and type the justifications, file logs and other required documents.

Costs associated with this position are average per employee costs. The equipment expense for a desk, chair, cabinets, etc. would be a one-time cost.

Type of Expenditure	Amount
1	3
2	
Salary	20,316
Benefits	7,702
Premium Pay	
Other	
Total Personal Services	28,018
Travel	0
Contractual	2,000
Commodities	1,000
Equipment	1,600
Other	
Total Cost	32,618

Receipt Code	Funding Source	Amount
	Federal Receipts 1002	
	G. E. Match 1001	
	General Funds 1004	32,618
	I-A Receipts 1005	
	Program Receipts 1028	
	CIP Receipts 1061	
	Other	

For B&M Use Only
Key Number

FY 87

Page 4 of 4
Revised Date

Agency Labor
BRU Commissioner's Office
Component Commissioner's Office

**Request For
New Position**

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 429
 Title : "An Act relating to regulations that affect small businesses..."
 Sponsor : Sen. Farenkamp
 Requestor : Governor's Office/OMB
 Date of Request : April 3, 1986

FISCAL DETAIL

Agency Affected : Department of Law
 BRU : Legal Services
 Components : Legal Services Operations

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

-Please see attached analysis. -

Prepared by: Richard I. Pegues, Director Phone: 465-3672
 Division: Administrative Services Division Date: 4/4/86
 Approved by Richard I. Pegues / FM Commissioner: Harold M. Brown Date: 4/4/86
 Agency: Department of Law

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

This bill adds new sections to the Administrative Procedure Act that require that agencies adopting regulations, under the Act, consider the probable economic effect of the proposed action on small businesses and small municipalities. Although these changes may cause a fiscal impact for several departments, the Department of Law adopts few regulations of its own, and the bill will probably not have a direct fiscal impact on the department. The department does, however, review all regulations prior to their adoption, and it sometimes assists other departments in drafting their regulations. To the extent that we are requested to advise other agencies about the sufficiency of their efforts to conform to the economic analysis provisions in this bill, we can expect innumerable requests for advice. These requests will probably result in our regulations and legislative drafting staff becoming more swamped than they already are.

Because we cannot accurately predict the additional workload that will occur if this bill becomes law, we are not requesting fiscal note funds at this time. Such a request may become necessary in the future, and the potential for this additional cost should be noted while the bill is being considered.

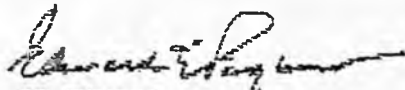
MEMORANDUM

State of Alaska

TO: Arthur H. Peterson
Assistant Attorney General
Legislation/Regulations Section

DATE: 27 March 1965

FILE NO:



FROM: MG Edward G. Pagano
The Adjutant General

TELEPHONE NO: 249-1565

SUBJECT: SB 429 ("flexibility analysis"
for small businesses)

The Department of Military and Veterans Affairs has had virtually no occasion to publish regulations which affect businesses; large or small. Accordingly, the Department does not feel it would be appropriate to take a position either favorable or contrary to this bill. Although there are undoubtedly indirect costs associated with the regulatory process which impact upon the Department, there is no direct fiscal impact and accordingly a "zero" fiscal note is appropriate from the Department of Military and Veterans Affairs.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : Senate Bill 429
 Title : "An Act relating to regulations that affect small businesses, small organizations, etc."
 Sponsor : Fahrenkamp
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL

Agency Affected : Military & Vets Affairs
 BRU : Alaska National Guard

 Components : Office of the Adjutant General

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
----------------	------------	------------	------------	------------	------------	------------

REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
----------------	------------	------------	------------	------------	------------	------------

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

No fiscal impact.

Prepared by : *RJR* Richard L. Rountree, Director
 Division : Administrative & Support Services

Phone : 465-4600

Date : 3/28/86

Approved by Commissioner : *For Richard L. Rountree* Edward G. Pagano
 Agency : Dept. of Military & Veterans Affairs

Date : 3/28/86

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill Resolution No. : SB 429
 Title : "An Act relating to regulations that affect small businesses, small organizations, and small governmental jurisdictions..."
 Sponsor : Senator Fahrenkamp
 Requestor : _____
 Date of Request : 3/28/86

FISCAL DETAIL

Agency Affected : Public Safety
 BRU : DPS Administration
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL SUPPLIES		62.0	65.1	68.4	71.8	75.4
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		62.0	65.1	68.4	71.8	75.4

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		62.0	65.1	68.4	71.8	75.4
FEDERAL FUNDS						
OTHER						
TOTAL		62.0	65.1	68.4	71.8	75.4

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

This Department's Divisions of Motor Vehicles, Fire Prevention and Alaska State Troopers are affected by this bill. The Alaska Police Standards Council and the Council on Domestic Violence and Sexual Assault would also be affected.

(continued on page 2)

Prepared by : Frank N. Gorham Phone : 465-4322
 Division : Commissioner's Office Date : 3/27/86

Approved by Commissioner : [Signature] Date : 3/27/86
 Agency : Public Safety

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

The Department's approach to the requirements of the Act would be to contract research/analytical expertise to develop impact statements as well as flexibility analysis as related to small entities, and to make periodic review assessments of regulations as would be indicated by the Department's plan published in the Alaska Administrative Journal. The contractual expertise time necessary to meet the requirements found in this piece of legislation would be estimated at 90 days per year.

Since the costs would be spread out amongst the various entities of the Department, the contractual costs would be placed in the Commissioner's Office and dispersed as necessary.

A 5% inflation factor is added beginning FY88.

<u>300 Contractual</u>		\$62.0
Research/analysis		
90 days @ \$100/day for 6 hours per day	\$54.0	
Incidental computer use	5.0	
Incidental travel related to above	3.0	

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 429
 Title : Relating to Regulations Affecting
Small Businesses, Organizations and
Governments
 Sponsor : Arnerkam
 Requestor : Attorney General
 Date of Request : _____

FISCAL DETAIL

Agency Affected : DOT&PF
 BRU : _____

 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		10.0	10.0	10.0	10.0	10.0
TRAVEL		5.0	5.0	5.0	5.0	5.0
CONTRACTUAL		6.0	6.0	6.0	6.0	6.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		21.0	21.0	21.0	21.0	21.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		21.0	21.0	21.0	21.0	21.0
FEDERAL FUNDS						
OTHER						
TOTAL		21.0	21.0	21.0	21.0	21.0

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attachment -

Harry Keller, Director 3/27/86

Prepared by : Harry Keller Phone : 465-2951
 Division : Engineering & Operations Standards Date : 3/27/86
 Approved by Commissioner : *[Signature]* Date : 3/31/86
 Agency : DOT&PF

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

This proposed legislation is apparently an attempt to require those agencies with regulation adoption authority to be more responsive to small businesses, small organizations and small governmental jurisdictions.

The additional costs involving the regulation adoption process is based on the assumption that the Department would propose three regulation changes per year and review two existing regulations per year as required under Sec. 44.63.070 of the bill.

Expenditure Detail

1. Personal Services for review of existing regulations, attendance at additional hearings and analysis of hearing comments and testimony. (10.0)
2. Travel for holding additional hearings and meetings. (5.0)
3. Contractual: additional advertising, mailouts and telephone to notify affected entities of reviews, hearings and meetings. (6.0)




Dept. of Transportation & Public Facilities

Position Paper

BILL NO: SB 429

TITLE: Relating to Regulations Affecting Small
Businesses, Organizations and Governments

APPROVED: 
R. J. Knapp
Commissioner

DATE: 3/28/86

SB 429 apparently is an attempt to require those agencies with regulation adoption authority to be more responsive to small businesses, small organizations and small governmental jurisdictions during the adoption process.

The bill would make the regulation adoption process unnecessarily cumbersome and burdensome and is superfluous as the existing Administrative Procedures Act has sufficient language to require proper notification of all affected parties and require that affected parties be given adequate opportunity to present statements, arguments or contentions either orally or in writing on proposed regulations.

This Department feels that existing statutes are adequate to properly control the regulation adoption process and opposes SB 429.

CHAIRMAN'S INFORMATION: CSSB 429(L&C)

1) BILL TITLE: "An act relating to regulations that affect small businesses and small municipalities; and providing for an effective date."

a) Introduced: Sen Fahrenkamp

b) Co-sponsors:

2) INTENT: This measure concerns the promulgation of regulations under the Administrative Procedures Act and imposes duties on agencies before adopting, amending, or repealing regulations. These duties include an economic analysis on the impact of regs on "small entities", "small businesses" and "small municipalities".

N.B. With the projected budget axe to the Administrative Journal, the bill will have a major flaw.

FISCAL NOTE: We currently have 12 fiscal notes from some of the affected agencies, however the agencies have not had a chance to prepare F/N's on the new CS.

3) ADDITIONAL REFERRALS: Judiciary, ~~Finance~~ and Rules

4) PUBLIC HEARINGS:

a) Sponsor:

b) Public Witnesses:

5) BILL ACTION:

a) Hold in committee?

b) Assign to sub committee for further review?

c) Move from committee?

d) Close public hearings?

6) COMMITTEE ACTION?

a) amendments?

b) CS adoption? Need to move for the adoption of the L&C CS.

REGULATORY FLEXIBILITY

States are requiring their agencies to perform an analysis of the impact any proposed regulation would have on small business and adopt administrative rules which minimize the negative impact and reflect the special needs and problems of small business.

Discussion: Regulatory flexibility legislation seeks to make state agencies sensitive to new regulatory burdens which may have a crippling impact on the ability of small businesses to create jobs.

Regulatory Flexibility legislation requires the state regulating agency to consider the following measures for reducing impact on small business:

- (1) establish less stringent compliance or reporting requirements;
- (2) establish less stringent schedules or deadlines for compliance or reporting requirements;
- (3) consolidate or simplify compliance with the rule and regulation or reporting requirements;
- (4) establish performance standards to replace design or operational standards; or
- (5) exempt small businesses from any or all requirements of the rule and regulation.

Often small businesses have insights into the situations being regulated which affect them, and the regulators should make every effort to involve them in the deliberations on the regulation.

The Regulatory Flexibility Act of 1980 imposes this requirement on federal regulators. According to a 1983 study by the U.S. Small Business Administration's Office of Advocacy, twenty-one states have adopted legislation which would require this regulatory review, and six states currently have it under consideration.

Regulations imposed by government agencies may have a greater impact on small business than on their larger competitors. For example, while regulatory controls are necessary and appropriate in many areas, regulators must be sensitive to the needs of small business in devising regulations and the cumulative affect of regulations on a small business. This is particularly important since small business is the primary generator of new jobs -- a trend that is projected to continue according to most economists.

U.S. Small Business Administration
Office of the Chief Counsel for Advocacy

March 1985

SBA

Annual Report of the
Chief Counsel for
Advocacy on
Implementation of the
Regulatory Flexibility Act

Executive Summary

The Regulatory Flexibility Act of 1980 (5 U.S.C. 601 et seq.) (RFA or the Act) was enacted to ensure that Federal regulators consider the impact of government regulations upon small business. The Office of the Chief Counsel for Advocacy of the U.S. Small Business Administration is charged by Congress to oversee implementation of the RFA. In the four years since the law's enactment, the Office of Advocacy has been instrumental in increasing decisionmakers' awareness of the regulatory problems confronting small business.

Significant strides were made in 1984 by the Office of Advocacy and business community to promote small business interests before regulatory agencies, the Congress and the courts. The 98th Congress expanded the opportunity for small business regulatory analysis by enacting the "Small Business and Federal Procurement Competition Enhancement Act of 1984" (P.L. 98-577). This law expands notice and comment rulemaking procedures to include procurement rules issued by Federal agencies. Because the RFA applies to all rulemakings that must follow notice and comment procedures, the procurement regulations of agencies such as the General Services Administration and Department of Defense will be subject to the RFA. At the same time, the Office of Management and Budget has targetted small business procurement-related paperwork for special scrutiny.

The U.S. Court of Appeals for the D.C. Circuit reaffirmed the reviewability of agency compliance with the RFA. In Thompson v. Clark, 741 F.2d 401 (D.C. Cir. 1984), the court affirmed its decision in Small Refiner Lead Phase-Down Task Force v. Environmental Protection Agency, 705 F.2d 506 (D.C. Cir. 1983), which held that a court may review the content of any regulatory flexibility analysis in determining the reasonableness of a rule and may overturn a rule due to a defect in such analysis. Thompson v. Clark provides another step in the evolving line of cases defining the scope of judicial review of compliance with the Act.

This report reviews agency compliance with the RFA in 1984. In general, agencies have become increasingly aware of the effects that government regulations may exert upon small business. Agencies have improved regulatory flexibility analyses by using better economic data, by engaging in more extensive outreach efforts, by devising internal agency regulatory procedures for complying with the Act, and by increasing communication with the Office of Advocacy. This report details agency reliance on the above-mentioned analytic and regulatory tools to achieve

APPENDIX I

State Efforts to Reduce Small Business Regulatory Burdens

Following the lead of the Federal Government, many states have enacted legislation and initiated programs to promote small business competition. Recognizing the need to reduce regulatory burdens and increase small business' participation in the rulemaking process, many states have enacted Regulatory Flexibility Acts (RFAs) and Paperwork Reduction Acts (PRAs). In 1984, 26 states had RFAs and 16 states had PRAs (see list that follows). Such legislation is currently under consideration in several states.

In 1984, the following states had regulatory flexibility measures in effect, either by legislation or executive order:

Arizona	Montana
California	New Hampshire
Colorado	New York
Delaware	Ohio
Indiana	Oregon
Iowa	Pennsylvania
Kentucky	Rhode Island
Louisiana	Texas
Maine	Utah
Maryland	Virginia*
Massachusetts	Washington
Michigan	West Virginia
Minnesota	Wisconsin

The following states had paperwork reduction legislation or executive orders in effect in 1984:

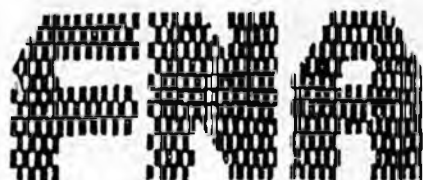
Kentucky	North Dakota
Louisiana	Ohio
Massachusetts	Oregon
Michigan	Pennsylvania
Minnesota	Tennessee
Missouri	Virginia*
New Jersey*	West Virginia
New York	Wisconsin

*By executive order.

To help achieve the goal of lessening regulatory hardships on small business, an increasing number of states have established state small business offices, government advisory councils, task forces, and state small business conferences. More and more states are publishing reports on small business and are even developing state small business data bases.

These programs, in conjunction with the significant number of state programs that provide small businesses with financial and management assistance, should strengthen small business' position in the economy and its ability to create an increasing number of our nation's new jobs.

APR 4 1986



FAIRBANKS NATIVE ASSOCIATION, INC.

310½ First Avenue
Fairbanks, Alaska 99701
Phone: (907) 452-1648 / 456-5151

4/2/86

Honorable Bettye Fahrenkamp
Alaska Senate
Pouch V Juneau 99811

Dear Senator Fahrenkamp:

On behalf of FNA's Economic Development program, I would like to commend you and extend our appreciation for your bill #429, to require consideration of alternative regulatory approaches in light of the impact of proposed regulations on small businesses. This bill is a good example of the wise and helpful leadership you have long provided.

I spoke with Mr. David Dougherty, the federal representative (SBA Seattle) who handles the federal bill; he feels such laws work well and achieve important benefits. Mr. Dougherty was my first supervisor many years ago (1970); he is an insightful and productive person, who has done many things to make government more efficient and productive. His insights and positive work have earned him a good respect and regard.

With so many areas where our businesses are hurting to survive, and so many adverse impacts of regulations, this bill can be an important benefit. Thank you for your attention to this need.

Sincerely,

Robert Lee Keller

Director, Business & Manpower Development Dept.

ADMINISTRATION/ACCOUNTING
452-1648 or 456-5151
JOHNSON O'MALLEY
EDUCATIONAL PROGRAM
"SAAKKAAYA CENTER"
451-6201 or 451-6211
BUSINESS AND MANPOWER
DEVELOPMENT
452-1648
WOMEN'S EDUCATION PROGRAM
451-8592

COMMUNITY SERVICES
452-1648
Counseling Services
452-1648
Child Welfare
452-1648
Family Focus
452-5802

ALCOHOL AND DRUG ABUSE SERVICES
Drop-In Center
456-7948
Out-Patient Services
456-1041
456-1101
Fairbanks Alcohol Safety
Action Program
452-6144
Youth Drug Abuse Preventio
452-5085
Substance Abuse Regional Counselor Training Progr
452-7045



Official Business

Alaska State Legislature

Senate

Committee on Labor & Commerce

Pouch V
State Capitol
Juneau, Alaska 99811

CSSB 429(L&C): Sectional Analysis

Section 1) Expands the duties of the Admin Reg Review Committee to include monitoring compliance with economic analysis requirements. Additionally, the committee would make recommendations on the adequacy of analyses developed by agencies, and the agencies response to public testimony.

Section 2) Adds a new section to the Admin Procedures Act. During January and July of each year, agencies shall publish a "regulatory flexibility agenda" in the Administrative Journal. This agenda shall describe the subject of regs likely to have economic impact on small entities, summarize the objective of the reg, and provide the name and phone number of an official who has knowledge of these items.

Agency may act on a matter not included in the agenda, or may decline to consider or act on a matter in the agenda.

Section 3) Adds a new section on ECONOMIC ANALYSIS FOR SMALL ENTITIES.

Before publishing a notice to adopt, amend, or repeal a reg, the agency shall analyze the probable economic impact on small businesses and small municipalities.

The analysis must consider the type and number of small entities affected as well as the cost and benefit to those types. Also requires consideration of the probable economic effects, and a review of the reasons for the reg, in light of the economic effects. Analysis shall also identify less costly means of achieving the goal, and identify current regs that may duplicate, overlap, or conflict with the proposed regs.

After the close of public proceedings the agency shall prepare a final analysis. Final analysis to contain a brief summary of the economic analysis, and the agency's comments on oral or written public testimony. Comments on testimony must identify changes made in response to the testimony, and the reasons for rejecting a proposal which was not adopted by the agency. Agency may summarize these comments to avoid duplication and unnecessary detail.

If an agency certifies in writing that a reg will not have a significant economic impact on small entities, the agency shall make a brief statement of noncompliance with these requirements. The written certification must be filed with the Lt. Governor.

Agency may consider closely related regs as one reg for the purposes of this section.

Analyses are not subject to judicial review, and actions on regs may not be invalidated by the contents of these analyses.

Defines "small business", "small entity", and "small municipality".

Section 4) Amends the Admin Procedures Act by requiring a summary of the economic analysis and the address where a complete copy of the analysis may be obtained.

Section 5) Prior to January 1, 1991, agency shall review regs in effect on 7/1/86 which have significant economic impact on a substantial number of small entities. Purpose of the review will be to determine the effect of the regs and whether they should be continued, amended, or repealed.

If the head of an agency determines they can not complete the review by 7/1/91, he may certify in writing and receive an additional year for said review.

In reviewing the regulations, the agency shall consider the need for the reg, public complaints about the reg, and the complexity of the reg. Review shall also consider whether the reg duplicates, overlaps, or conflicts with other regs, and the length of time since the reg has been evaluated.

Section 6) Applicability of section 3

Section 7) 7/1/86 effective date.