

HB

387

SENATE COMMITTEE REPORT

DATE: 5/7/92

FURTHER: Finance

DATE TURNED INTO OFFICE: 5/11/92

CRA Committee considered CS FOR HOUSE BILL NO. 387 (RESOURCES) am

"An Act relating to accrediting engineers for inspections of wastewater systems for single-family homes and duplexes; and relating to the accreditation of engineers and environmental consultants for the assessment and cleanup of sites contaminated with hazardous substances."

and recommends:

replace with SCS CS AB 387 (CRA)
or  adopt previous CS
 attaches amendment(s)

same title
 new title
 technical title change (HB only)

adopts Letter of Intent

further referral to the

- do pass
 do not pass
 no recommendation
 individual recommendations

NEW FISCAL NOTES: Dept/Date
 zero fiscal notes DEC 5/11/92

fiscal notes

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date
 zero fiscal notes

fiscal notes

DO PASS:

Handwritten signature of Chair: Julius Fungulowski

OTHER RECOMMENDATIONS:

Handwritten signature: Lynn Hoffman Wskoc

Chair Signature and Recommendation DO PASS

# FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. SCS CSHB 387 (CRA)

Revision Date: 11-May-92  
 Title: Accrediting Engineers  
On-Lot/Site Assessment  
 Sponsor: Rep. Boyer  
 Requestor: (S) CRA

Department Affected: Environmental Conservation  
 BRU: Environmental Quality  
 Component: Domestic Wastewater/Water Treatment

COMPONENT SERIAL NO. 1 | 4 | 2 | 6

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING              | FY 93      | FY 94      | FY 95      | FY 96      | FY 97      | FY 98      |
|------------------------|------------|------------|------------|------------|------------|------------|
| PERSONAL SERVICES      | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| TRAVEL                 | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| CONTRACTUAL            | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| SUPPLIES               | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| EQUIPMENT              | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| LAND&STRUCTURES        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| GRANTS, CLAIMS         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| MISCELLANEOUS          | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| <b>TOTAL OPERATING</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

|         |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|
| CAPITAL |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

|              |  |  |  |  |  |  |
|--------------|--|--|--|--|--|--|
| REVENUE      |  |  |  |  |  |  |
| FUND SOURCE: |  |  |  |  |  |  |

FUNDING: (Thousands of Dollars)

|               |            |            |            |            |            |            |
|---------------|------------|------------|------------|------------|------------|------------|
| GENERAL FUND  | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| FEDERAL FUNDS | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| OTHER P/R     |            |            |            |            |            |            |
| FUND SOURCE:  | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| <b>TOTAL</b>  | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

POSITIONS:

|           |     |     |     |     |     |     |
|-----------|-----|-----|-----|-----|-----|-----|
| FULL-TIME | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PART-TIME |     |     |     |     |     |     |
| TEMPORARY |     |     |     |     |     |     |

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Janice Adair  
 Division: Commissioner's Office

Phone: 465-5010  
 Date: 5/11/92

Approved by Commissioner: *Janice Adair for John Sandoz*  
 Agency: Environmental Conservation

Date: 5/11/92

• Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

(12-16)

contractor for sewage disposal systems or a member of a qualified inspection service to determine if the sewage disposal system was operating in a satisfactory manner at the time of inspection and if the sewerage system is considered adequate to dispose of all domestic wastes in a manner which will not create a nuisance or endanger the public health. (If the system has not been in use for thirty days, a dye test is recommended.)

- f. There must also be an inspection of the water system and a certificate from a local health authority or a State EPA approved laboratory to determine if the system was operating in a satisfactory manner at the time of inspection, and if the quality of water supply meets the local health or State drinking water standards based on results of:

1. Bacteriological analysis of the water supply source.
2. Chemical analysis of the water supply source where there is a history of ground water contamination in the area.

NOTE: Only the laboratory may perform the sampling. A third party is not acceptable.

3. The well construction must meet the requirements of the health authority.

- D. Suitability of Soil. The soil and subsoil conditions of the site must be considered. The type and permeability of the soil, the location of the water table, surface drainage conditions, compaction, and the existence of rock formations are among the physical features that are important in the analysis of the site. Effects of the adverse features of the adjoining land must also be observed.

12-17. SHARED WELLS. To be eligible for consideration for mortgage insurance, any shared well must:

- A. Serve existing properties which cannot feasibly be connected to an acceptable public or community water supply system.
- B. Serve proposed construction only if:
  - 1) It is infeasible to serve the housing by an acceptable public or community water system; and

(12-16)

domestic needs and for auxiliary uses, such as lawn and garden maintenance. Possible sources of pollution of the water from the subject and adjoining properties must be considered.

- b. Individual sewage disposal systems may be acceptable when connection to a public or community system is not feasible and the site conditions are such that the individual system can be expected to function satisfactorily. Examination of neighborhood conditions is necessary to assist in this determination. Local health department approval is required.

2) Existing Construction Properties.

- a. Individual wells should be checked to ascertain the distance from the septic system, ease of maintenance and repair of the well, and adequacy of the water pressure. The distance from the well to the septic system must be in accordance with 24 CFR 200.926d (HUD Handbook 4910.1, Appendix K). A well located within the foundation walls of a dwelling is not acceptable except in arctic or subarctic regions. The appraiser should turn on several cold water faucets in the house to check water pressure and flow, letting the system run during the time of the inspection. Flushing a toilet at the same time will also reveal any weakness in water pressure.
- b. Individual sewerage systems may be acceptable where soil conditions are satisfactory for proper installation and absorption of the effluent. After checking the interior of the house and water pressure, the appraiser should then check the outside area for any evidence of subsurface sewage failure, and/or evidence of failures in the surrounding neighborhood.
- c. Failure of individual sewerage systems on adjoining properties may be cause for rejection of the subject property due to the health hazards involved.
- d. If either system in the subject property is failing, the property should be rejected with a requirement for a repair proposal acceptable to local and State authorities and HUD.
- e. If the home is not occupied and the systems have not been in use for several months, an inspection of the sewerage system must be made by a State licensed sanitation or civil engineer, a State licensed

- **Zoning classification and compliance.** The appraisal report must accurately state the zoning classification and whether the use of the subject property complies with the reported classification. The use of the mortgaged premises must conform to applicable zoning and use restrictions and enable the mortgage to qualify as a home mortgage, as defined in section 0212. Freddie Mac may, however, purchase a home mortgage secured by property that does not conform to applicable zoning and use restrictions, provided that the property is a legal use (commonly referred to as legal nonconforming use). The appraiser must comment on any adverse effect of any nonconforming use when estimating the market value and marketability of the property.

Freddie Mac's policy on legal nonconforming condominium projects is found in section 2001.

Zoning requirements cannot be the basis for classifying a project as a PUD. (See section 2101 for the definition of a PUD.)

- **Utilities.** The utilities serving the subject property must meet community standards. In addition, the comparable sales should have utilities similar to the subject property. When differences in utilities exist between the subject property and the comparable sales, any adjustments made to the comparable sales, or lack of adjustments, for significant differences must be explained in the comments area. In addition, the appraisal report must evaluate the effect these differences have on the subject property's value or marketability.
- **Streets.** The subject property must have legally appropriate ingress and egress. The streets serving the subject property must be maintained in a manner that generally meets community standards. In addition, the comparable sales should have street maintenance similar to the subject property. When differences exist between the ownership or maintenance of the subject property's streets and the comparable sale's streets, adjustments made to the comparable sale, or lack of adjustments, for the differences must be explained in the comments area. In addition, the appraisal report must evaluate the effect these differences have on the subject property's value or marketability.
- **Environmental influences and conditions.** The appraiser must consider any known environmental influences or conditions, make any appropriate adjustments to market value to reflect any such influences or conditions, and comment on the effect the influences or conditions have on the marketability or value of the subject property. Examples of adverse environmental influences or conditions include, but are not limited to,

## Selling

Section 403.06

On the other hand, if the current improvements clearly do not represent the highest and best use of the site as an improved site, the appraiser must so indicate on the appraisal report. In such cases, we will not purchase or securitize a mortgage that is secured by the subject property. \*

### Section 403.03 Utilities

For a mortgage to be eligible for purchase or securitization, the security property's utilities must meet community standards and be accepted generally by area residents. If public sewer and/or water facilities—those that are supplied and regulated by the local government—are not available, then community or private well and septic facilities must be available and utilized by the subject property. If community facilities are used, the owners of the subject property must have the right to access the system's facilities, which must be viable on an on-going basis. Generally, private well or septic facilities must be located on the subject site. However, off-site private facilities are acceptable if the inhabitants of the subject property have the right to access them and if there is an adequate, legally binding agreement for their access and maintenance. \*

If there is market resistance to an area because of environmental hazards or any other conditions that affect well, septic, or public water facilities, the appraiser must comment on the effect of the hazards on the subject property's marketability and value.

### Section 403.04 Streets

The property should front on a publicly dedicated and maintained street that meets community standards and is accepted generally by area residents. If the property is on a community-owned or privately owned and maintained street, there should be an adequate, legally enforceable agreement for maintenance of the street. A street that does not meet city or state standards frequently requires extensive maintenance, and property values may decline if it is not regularly maintained. If a property fronts on a street that is not typical of those found in the community, the appraiser must comment on the effect of that location on the subject property's marketability and value.

### Section 403.05 The Lot

The topography, shape, size, and drainage of the lot are all equally important. Steep slopes that cause erosion, difficulty in maintaining a lawn, or difficult access to the property itself or to a garage are generally unfavorable conditions. Drainage must be away from the improvements to avoid the collection of water in or around them. The presence of sidewalks, curbs and gutters, street lights, and alleys depends on local custom—if they are typical in the commu-

## AHFC Manual

.06 Bathrooms

All dwellings must include at least one full bath (sink, toilet and tub). On newly constructed duplex through four-plex, all units must include a full bath, and on existing properties the owner's unit must have a full bath and the other units must include at least a three-quarters bath.

If the entrance to the only bath in a structure is through a bedroom, or if there is no bath on the same level as the bedrooms, functional obsolescence must be considered on the appraisal report. In addition, AHFC will usually not consider maximum financing.

.07 Utilities/Well and Septic Systems

- A. All properties must be connected to public utilities, if available. An escrow may be established (1-1/2 times estimate) if the property cannot be connected due to weather conditions.
- B. On properties served by on-site private utilities, the Seller/Service must retain in their file a current, unconditional approval from the appropriate Department of Environmental Quality or an acceptable engineer's report. AHFC will accept DEC approvals or engineer's reports up to six months old at time of closing provided the approvals were completed for the sale or transaction being financed by AHFC. The engineer's report must approve the adequacy and health and safety of the system. A new test must be completed for each sale transaction when the loan is sold to AHFC. This requirement applies to all loans including refinance loans except for VA Slam Dunk and FHA Streamlined Refinances of existing AHFC loans. Refinance loans will not require hook-up to public water or sewer, if available. However, if public hook-up is desired by the borrower, the loan may be considered as a refinance for home improvement.

To insure that the State authority spacing requirements between fuel tanks and water wells have been met, if the subject property has a fuel tank on site, the lender must retain a copy of Application for On-Site Water and Sewer Approval. The application should show the separation distance between the well casing and the fuel tank. The lender should check other sources such as the as-built survey to verify the correct separation distance. Should there be a conflict of the separation distance from any source, the lender should confer with the approval authority to determine the validity of any approval. This documentation does not need to be sent to AHFC, but it must be retained in the lender's file.

- (12-16)
- b. Have capacity in the sewage collection system and treatment plant to adequately serve the properties in the development.
  - c. Have organizational documents which assure continuity of service at reasonable rates as required in HUD Handbook 4075.12 Rev.
  - d. If a private system operated for profit, be regulated by the State Public Utility Commission or have a Trust Deed of Third Party Beneficiary Agreement as specified in HUD Handbook 4075.12 Rev.
- 3) Farmers Home Administration approval of water and/or sewage systems is sufficient for eligibility on individual cases where both agencies are involved.
  - 4) Articles of Incorporation and By-Laws for water and sewerage systems owned by property owner associations or cooperatively owned systems will also be acceptable for assuring continued service and reasonable rates if approved by the Farmers Home Administration.
  - 5) Whenever public or community facilities are within a reasonable distance from the property, a connection must be made to these utilities. However, if the cost to connect to it would cause a financial hardship, this requirement may be waived.
  - 6) Field Offices should maintain a list of all approved community systems for distribution to appraisers and Direct Endorsement underwriters.
  - 7) More detailed information concerning central water and sewer systems may be found in HUD Handbook 4075.12 Rev.
- c. Individual Systems are owned and maintained by the homeowner but subject to compliance with requirements of the local or State health authority having jurisdiction.
- 1) Proposed Construction Properties.
    - a. Individual water supply systems may be acceptable when connection to a satisfactory public or community system is not feasible and there is assurance of a continuing adequate supply of safe potable water for

This statement  
seems to be  
more flexible →

12-16. WATER AND SEWAGE SYSTEMS. There are three types of water and sewer systems which may be acceptable to serve a dwelling:

- A. A public system which is owned, operated and maintained by the city, county or local unit of government with power of taxation or assessment. This system is most preferred for safety and reliability.
- B. A community system, which is a central system, owned, operated and maintained by a private corporation or a non-profit property owners association.

1) For both proposed and existing construction community water systems must:

a. Have current water supply permit from the local Health Department with evidence that the water supply:

1. Meets State Drinking Water Standards for quality and
2. Provides sufficient quantity to supply peak demands in the development.

b. Be in compliance with requirements of the local or state Health Authority. Deficiencies in the water system should not adversely affect the health of the consumers, the acceptability of the quality of the water for all household purposes nor provide for less than the quantity of water required in the development.

c. Have organizational documents providing for ownership and operation which meet requirements of HUD Handbook 4075.12 Rev. to assure continuity of service at reasonable rates.

d. Private systems operated for profit must be under jurisdiction of State Public Utility Commission or have a Trust Deed of Third Party Beneficiary Agreement as per HUD Handbook 4075.12 Rev.

2) A Community Sewer System must:

a. Be in compliance with requirements of the Health Authority having jurisdiction for satisfactory operation of the sewage treatment plant and discharge of treated wastes.

(2-5.A.)

- 2) Sewage disposal system.
  - a. Provide a statement that the permitted individual sewage disposal system, with proper maintenance, can be expected to function satisfactorily and is unlikely to create an unsanitary condition; and
  - b. Show how many bedrooms the sewage disposal system is designed for and whether there is or is not a garbage disposal.

The HUD Field Office or the DE Lender must include a Specific Condition on Form HUD 92800.5B (in addition to item E on the back of the form that ensures acceptable installation according to accepted exhibits). Obtain a statement from the local health authority that if a water-supply system is used, that the quality of water is satisfactory for human consumption.

B. Location Map of property.

C. Plot Plan. Show these additional items (see paragraph 2-2.A. and Appendix 1):

- 1) Lot lines and all improvements;
- 2) Topography;
- 3) Location of septic tank, distribution box, absorption field or bed, seepage pits, and other essential parts of sewage system;

Holding tanks are not acceptable on newly constructed properties.

- 4) Location of well, service lines and other essential parts of water supply system, including well casing seal;
- 5) Distance to individual well from the dwelling, septic field and property line. Also show distance of well to individual well and septic systems on adjacent properties;

(2-4.C.)

- 4) Identification of each lot by number;
- 5) Elevations according to individual plot plan, including bench mark and datum or, in lieu of finish grade elevations, contours of proposed finish grading may be submitted. Contour intervals selected will be appropriate to the topography of the site;
- 6) Lot grading will be shown by indicating protective slopes and approximate location of drainage swales; and
- 7) Location of drainage outfall if any drainage is not to a street.

Special requirements by HUD Field Office may be necessary for grading plans, specifications and engineers certifications (79-G). See paragraph 2-2.B. and 2-2.F.

- D. Floor Plans, Elevations, Sections, and Details.  
Submit for each plan type (see paragraph 2-2 for scale and details).

Optional elevations to a basic plan can be shown at a scale not less than  $1/8" = 1' - 0"$ .

When the Schedule of Options is used, provide necessary exhibits.

- E. Description of Materials. See paragraph 2-3.

2-5. INDIVIDUAL WATER SUPPLY AND SEWAGE DISPOSAL SYSTEMS.  
Provide:

- A. A Written Opinion by the Health Authority.

- 1) Water-supply system.

Give the most recent record of failure of wells in the immediate vicinity to furnish an adequate supply of water.

# Alaska State Legislature

REPRESENTATIVE  
MARK BOYER

VICE CHAIRMAN  
HOUSE FINANCE COMMITTEE



House of Representatives

FAIRBANKS

1098 LAKEVIEW TERRACE  
FAIRBANKS, ALASKA 99701  
(907) 456-6473

JUNEAU

P.O. BOX V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3466

To: Senator Steve Frank, Chair  
Community and Regional Affairs Committee

From: Rep. Mark Boyer *MB*

Date: May 8, 1992

Subject: Request to hear HB 387

I am requesting that HB 387, An Act relating to accrediting engineers for inspections of waste water systems for single-family homes and duplexes", be scheduled for a hearing or waived from the Community and Regional Affairs Committee.

The State Department of Environmental Conservation has terminated the certification of wells and septic systems for one and two family dwellings as of February, 1992. While the Department continues to assert authority for larger units, it wishes to discontinue the certification procedures for one and two family units.

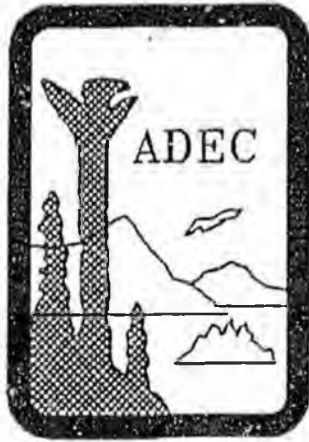
The DEC proposal to cease agency certification could force ill equipped lending institutions to certify that the environmental quality standards for on-site systems are met. This could increase the cost of originating new loans.

HB 387 requires the DEC to develop criteria for accrediting engineers who inspect domestic waste water systems. This action will effectively place the responsibility of reviewing systems with the private sector and will satisfy a mortgage industry requirement for certification of a system's adequacy by a health authority.

The bill has the support of the DEC, AHFC, Alaska Mortgage Bankers Association, and the Alaska Association of Realtors.

Thank you for your consideration.

FAIRBANKS 20B



Department of Environmental Conservation

## POSITION PAPER

BILL NO: CSHB 387 (Res)

APPROVED: *David Allen*

TITLE: Accrediting Engineers

DATE: 4-30-92

The Department of Environmental Conservation supports CSHB 387 (Res).

CSHB 387 (Res) would allow the Department of Environmental Conservation to certify that professional registered engineers were knowledgeable about the Department's wastewater regulations for the purposes of providing lending institutions with the assurance they need that an on-lot sewer system meets the design criteria established in those regulations.

The Department's current regulations require an engineering report for on-lot systems for triplexes and larger buildings. Single family homes and duplexes are not required to have such an engineering report. However, lending institutions have asked that the Department, as the state's health authority, certify that an engineering report prepared for any size structure meets the Department's regulatory requirements.

To meet the lending industry's concern, the Department conducted a familiarization seminar to provide private sector registered engineers with information on the subject regulations. However, it was learned that the secondary market, where many banks sell their mortgages, require a sign-off by the local health authority. In Alaska, that would be DEC. CSHB 387 (Res) would allow DEC to provide an accreditation to private registered engineers that would also meet the requirement of the secondary financial market. For this reason, the Department supports this provision.

The Resources Committee Substitute would also establish a similar program for registered engineers and qualified environmental consultants for assessment and cleanup of sites contaminated with hazardous substances. Generally, the substance will be a petroleum based product, such as would be found at an underground storage tank site.

There are a number of contaminated sites in Alaska. However, many of these sites are low risk as to public health and welfare. The Department would be able to develop a program to certify registered engineers and environmental consultants are familiar with the Department's regulations on hazardous substance assessment and cleanup. The Department believes such a program will significantly increase the number of contaminated site cleanups around the State. The Department strongly supports this provision.



# TransAlaska Title

Anchorage Branch  
Corporate Office  
400 W. Tudor Road  
Anchorage, AK 99503  
907-561-1844  
FAX 561-1948

Eagle River Branch  
11421 Old Glenn Highway, Suite 101 February 13, 1992  
Eagle River, Alaska 99577  
907-694-1456  
FAX 694-1474

Fairbanks Branch  
201 First Avenue, Suite 102  
Fairbanks, AK 99701  
907-452-2193  
FAX 456-4194

Homer Branch  
331 E. Pioneer Ave., Suite 1  
Homer, AK 99603  
907-235-5201  
FAX 235-5203

Juneau Branch  
2227 N. Jordan Avenue  
Juneau, AK 99801  
907-789-5252  
FAX 789-7395

Kenai Branch  
130 Trading Bay Road  
Suite 390  
Kenai, AK 99611  
907-283-7503  
FAX 283-7719

Kodiak Branch  
326 Center Street, Suite 106  
Kodiak, AK 99615  
907-486-8338  
FAX 486-8383

Seward Branch  
909 3rd Avenue, Box 469  
Seward, AK 99664  
907-224-5272  
FAX 224-7272

Soldotna Branch  
170 N. Birch Avenue, Suite 101  
Soldotna, AK 99669  
907-262-5708  
FAX 262-9594

Wasilla Branch  
1590 E. Financial Blvd.  
Suite 105  
Wasilla, AK 99654  
907-376-5248  
FAX 376-6010

Representative Cliff Davidson  
112 Mill Bay Road  
Kodiak, Alaska 99611

Dear Mr. Davidson:

The Alaska Association of Realtors (AAR) supports in part the position of the Alaska Mortgage Bankers Association (AMBA) concerning the on-site certification of well and septic systems.

AAR supports DEC proceeding with their plan of private professional engineers performing the certification process. AAR urges the Department of Environmental Conservation to proceed as soon as possible with the request to adopt regulations concerning the certification program of professional engineers, and have these regulations in place by April 15, 1992.

AAR seeks DEC's support in passing H.B. 387 by Representative Boyer of Fairbanks; this bill is necessary for stability of the home loan process for the general public. It takes the early politics out of a process in which politics do not belong.

Respectfully,

Bob Ingalls  
Member, Alaska Association of Realtors





# Alaska State Legislature

Please enter into the record my testimony to the House <sup>Community &</sup> ~~Committee~~ - Regional committee name  
 committee on HB 387 , dated 1-23-92 affairs  
 bill/subject

The Alaska Bankers Association endorses passage of CS HB 387 for the following reasons as a result of a survey of our members held in November, 1991.

1. Government has the sole responsibility for monitoring safe water and sewage, whether by statute or as a duty to the population.
2. Mortgage bankers have no technical training in the review of engineers reports and increased liability in this area will be a part of the bankers concern if they require certification of these systems prior to closing a loan.
3. Our secondary market investors currently require government certification prior to purchasing these loans. Failure to have this accomodation will result in a loss of the secondary market and limit access to home mortgages for consumers.

I had asked to testify today, but apparently was too late in my request. Thanks to Representative Boyer and his staff for their efforts.

Signed: [Signature]  
 Testifier  
Alaska Bankers Association  
 Representing (Optional)  
119 North Bushman  
 Address  
456-1400  
 Phone No.



February 13, 1992

Representative Cliff Davidson  
Alaska House of Representatives  
State Capitol  
Juneau, AK 99801-1182

Dear Representative Davidson:

The Alaska Association of REALTORS (AAR) supports in part the position of the Alaska Mortgage Bankers Association (AMBA) concerning the on-site certification of well and septic systems.

AAR supports DEC proceeding with their plan of private professional engineers performing the certification process. AAR urges the Department of Environmental Conservation to proceed as soon as possible with the request to adopt regulations concerning the certification program of professional engineers, and have these regulations in place by April 15, 1992.

AAR seeks DEC's support in passing H.B. 387 by Representative Boyer of Fairbanks; this bill is necessary for stability of the home loan process for the general public. It takes the yearly politics out of a process in which politics do not belong.

Respectfully,

A handwritten signature in cursive script that reads 'Glenda Feeken'.

Glenda Feeken  
Member, Alaska Association of REALTORS



**RE/MAX** of the peninsula  
100 trading bay rd., suite 6  
kenai, alaska 99611  
phone: (907) 283-5888

each office independently owned and operated



**biaa**

Affiliated with NAHB

**RESOLUTION**

WHEREAS the suspension of On-Lot Well and Septic Certifications by the State of Alaska Department of Environmental Conservation is currently being considered, and,

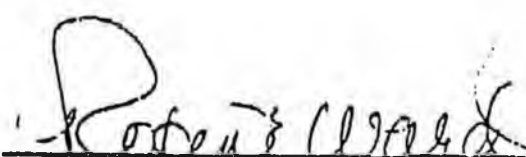
WHEREAS the Building Industry Association of Anchorage has grave concerns regarding the withdrawal of state oversight on an issue which is clearly related to the health and safety of Alaskans, and

WHEREAS it seems inappropriate to place the responsibility for health standards in the hands of private enterprise when the expertise to ensure compliance is currently in place in the state system, and

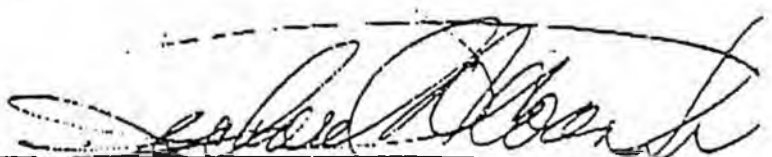
WHEREAS the state does not have to fund this program when users pay a fee for the inspections so the program is not cost prohibitive,

THEREFORE BE IT RESOLVED that the current approval system using the State of Alaska Department of Environmental Conservation for on-lot well and septic certifications is the most economical and efficient means of addressing this health and safety issue in home ownership.

Dated: This 16th day of January 1992.



Robin E. Ward  
President



Richard A. Coan, Sr.  
Secretary

**Building Industry Association of Anchorage, Inc.**  
7801 Schoon, Unit A • Anchorage, Alaska 99518 • (907) 522-3605





February 12, 1992

John A. Sandor, Commissioner  
Department of Environmental Conservation  
P.O. Box 0  
Juneau, Alaska 99811-1800

Dear Commissioner Sandor:

The Kenai Peninsula Builders Association requests the continuation of DEC oversight of on-lot certifications until such a time that building industry representatives have had an opportunity to be involved in establishing regulations governing the certification program.

There is concern that unregulated costs from private industry will make homeownership less affordable. Builders have obtained price quotes from private engineers that range from \$500 to \$5,000 for on-lot certifications.

The Kenai Peninsula Builders Association responds to the February 7, 1992, News Release which stated, "Adair said that the department needs its staff to work on higher-priority environmental projects." We ask, what issue could possibly be more important to Alaskans than the safety of our drinking water?

Sincerely,

Jean Bunn, President

Post-It<sup>®</sup> brand fax transmittal memo 7871 # of pages: 2

|   |                                 |
|---|---------------------------------|
| To: <i>Lucille Stata</i>                | From: <i>Pat Vincent</i>        |
| Co: <i>National Bldg. Co. of Alaska</i> | Co: <i>Kenai Dist. Builders</i> |
| Dept:                                   | Phone #: <i>776-5719</i>        |
| Fax #: <i>257-3412</i>                  | Fax #: <i>776-8925</i>          |

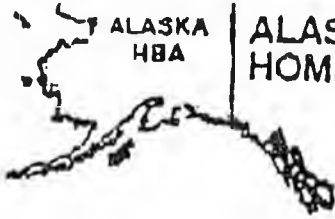


TESTIMONY HB 387  
February 18, 1992

The Kenai Peninsula Builders Association urges your support of House Bill 387.

There is a definite concern on the part of our members that the withdrawal of State oversight by the Department of Environmental Conservation will increase liability for those involved in the home building industry and increase costs to the homeowner. We feel that the State of Alaska should continue to be involved in an issue of public health and safety.

*Patricia Vincent, E.O.*



ALASKA STATE  
HOMEBUILDERS ASSOCIATION

RESOLUTION

WHEREAS the suspension of On-Lot Well and Septic Certifications by the State of Alaska Department of Environmental Conservation is currently being considered, and,

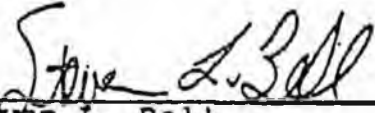
WHEREAS the Alaska State Homebuilders Association has grave concerns regarding the withdrawal of state oversight on an issue which is clearly related to the health and safety of Alaskans, and,

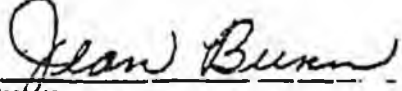
WHEREAS it seems inappropriate to place the responsibility for health standards in the hands of private enterprise when the expertise to ensure compliance is currently in place in the state system, and,

WHEREAS the state does not have to fund this program when users pay a fee for the inspections so the program is not cost prohibitive,

THEREFORE BE IT RESOLVED that the current approval system using the State of Alaska Department of Environmental Conservation for on-lot well and septic certifications is the most economical and efficient means of addressing this health and safety issue in home ownership.

Dated: This 8th day of January 1992.

  
\_\_\_\_\_  
Steven L. Bell  
President

  
\_\_\_\_\_  
Jean Bunn  
Secretary





520 East 34th Avenue  
Anchorage, AK 99503  
(907) 561-1900  
P.O. Box 101020  
Anchorage, AK 99510

MEMORANDUM

DATE: September 9, 1991  
TO: Bob Sullivan  
Intergovernmental Affairs Director  
FROM: Kay Murphy *KM*  
Mortgage Operations Director  
RE: DEC Certifications

.....  
As you know, Commissioner Sandor continues to push toward elimination of DEC's certification of wells and septic serving one and two family dwellings. Rumor has it that this action is being triggered by Governor Hickel's office. While you are in Juneau later this month, would you please talk with the Governor or members of his staff to discuss alternatives to DEC's reduction of services.

Areas of concern include:

- o Health and Safety issues are ignored by the State for small residential properties.
- o Quality of engineer's and certified installer's reports is suspect. Statistics provided by DEC show a statewide return rate of 31% and decline rate of 12%.
- o Increased lender liability as well as processing delays and added expense are expected.
- o Lack of expertise in identifying non-conventional systems and/or soils deficiencies. Per DEC, the engineers and lenders do not have the knowledge accumulated over the years by DEC staff.
- o Many DEC requirements are based on staff experience not published guidelines.
- o Cost is easily absorbed by User Fees.

Please find attached recent correspondence to and from Commissioner Sandor and Dick Farnell, DEC's Wastewater Program Manager.

Please contact me if I can be of further assistance.

lkay\kay9102



DEPARTMENT OF VETERANS AFFAIRS  
Regional Office and Outpatient Clinic  
235 East 8th Avenue  
Anchorage AK 99501

February 13, 1992

In Reply Refer To: 363/26

John A. Sandor, Commissioner  
Department of Environmental Conservation  
P.O. Box 0  
Juneau, Alaska 99811-1800

Dear Commissioner Sandor:

VA policy requires that when individual water and sewerage systems are contemplated, each must comply in all respects with the health authority regulations for the respective localities.

VA supports any efforts to ensure that such systems are subject to extremely careful study and investigation to assure against possible later deficiencies.

Passage of HB 387 seems essential to remove any concern about DEC's authority to regulate this important public policy function. Your support of Representative Boyer's HB 387 will alleviate the authority issue raised during the past year.

Sincerely,

Edward Hull  
Loan Guaranty Officer

RECEIVED APR 27 1992



First National Bank  
of Anchorage

---

April 23, 1992

House Resources Committee  
Cliff Davidson, Chair  
Alaska State Legislator  
State Capital  
Juneau, AK 99801-1182

RE: HOUSE BILL 387

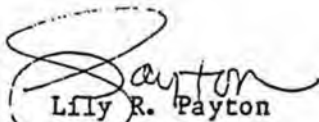
Dear Mr. Davidson:

The First National Bank of Anchorage would like to express their support of House Bill 387, which provides for accreditation of engineers for inspections of wastewater systems for single family homes and duplexes.

We feel passage of this bill is important to the health and safety of the people of Alaska.

If you have any questions concerning this matter, please feel free to contact me at 265-3566.

Sincerely,



Lily R. Payton  
Vice President

Investor Lending Production Division

LRP/ph

cc: Georgianne Lincoln  
Pat Carney  
David Finkelstein  
Bill Hudson  
Ivan M. Ivan  
Tom Moyer  
Loren Leman  
Jim Zawacki

**ALASKA MORTGAGE BANKERS ASSOCIATION**  
P.O. BOX 9-2691 / ANCHORAGE, ALASKA 99509-2691

\*\*\*\*\*  
 F A X   T R A N S M I T T A L   M E M O  
 TO: Curt Hansen  
 DEPT: \_\_\_\_\_ FAX #: 465-3841  
 FROM: File PHONE: \_\_\_\_\_  
 CO: \_\_\_\_\_ FAX #: \_\_\_\_\_  
 Post-it brand fax transmittal memo 7671

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|--------------|
| NO. OF PAGES |
| 3            |

January 23, 1992

Representative Mark Boyer  
Alaska State Legislature  
Juneau, Alaska

Dear Representative Boyer:

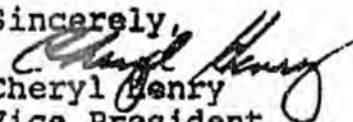
The Alaska Mortgage Bankers Association strongly supports the passage of CHSB 387.

The bill would provide for continuation of oversight by DEC of on-site systems, a service which DEC has historically performed.

Owners of one and two family units are currently the only homeowners not covered by DEC oversight by state statute; this bill would place these homeowners on an equal footing with other property owners.

There should be no financial effect on DEC, as user fees can be charged for the service.

If we can provide any information, please feel free to contact us.

Sincerely,  
  
 Cheryl Henry  
 Vice President

Attachment: Membership List



## SECURITY PACIFIC BANK ALASKA, N.A.

MORTGAGE LOAN SERVICING, AK-210

3841 West Dimond Boulevard, P.O. Box 107007, Anchorage, AK 99510-7007  
(907) 276-8080 • Fax: (907) 268-7427

February 3, 1992

To: Representative Mark Boyer  
State Capital  
Juneau, AK 99801  
Fax 465-3841

From: Security Pacific Bank Alaska *WJW*  
Theresa Wolf

RE: DEC on-site certifications

Security Pacific Bank Alaska is very concerned if DEC discontinues its on-lot certifications. This will put more liability on the lenders and engineers. Engineers will most likely raise their prices to accommodate the additional liability placed on them. This will result in higher costs to the home buyers and lenders will be taking a greater risk in interpreting the engineers report. We are not engineers and do not have engineers on staff. Therefore, we support House Bill 387.

## **Background on Alaska Department of Environmental Conservation On-Site Wastewater Disposal System Certification Program**

House Bill 387- Seventeenth Alaska Legislature Date: January 23, 1992  
Prepared for House Community and Regional Affairs Committee

The Department of Environmental Conservation reviews and approves engineered plans for modification of existing or new construction of wastewater systems as required by 18 AAC 72.210 Domestic Wastewater System Plan Review.

**Exception:** Plan approval is not required for conventional on-site wastewater system serving a single-family or duplex residence. This exception does not apply to systems that require waiver of separation distance from water.

**The Current Situation:** Approvals of these systems by the Department is not required by regulation. It has been conducted at the request of the Banks and Real Estate industries. The program has required 8.9 FTE's and a budget of \$536,000 (FY 91). In FY 91 the Department approved about 2,400 on-site wastewater systems. Of these, approximately 1,300 systems were conventional and would be affected by the proposed private sector assumption.

**Proposed Reduction:** The Department is planning to have private sector engineers review conventional on-site wastewater systems for single-family and duplexes and their evaluation would be given directly to the bank. A phased transition has been proceeding in FY 92, and should be completed by February 1992. The reduction of program responsibilities not required by regulations is necessary to make use of our limited resources in other important public health and environmental protection areas.

Other program activities are proposed to continue. These include engineering plan approval of all non-conventional systems, or systems which require separation distance waivers. Also, filing and maintaining archival records of previous on-site system approvals. The Department offers training statewide for Certified Wastewater Installers, and maintains a list of contractors who have met the requirements.

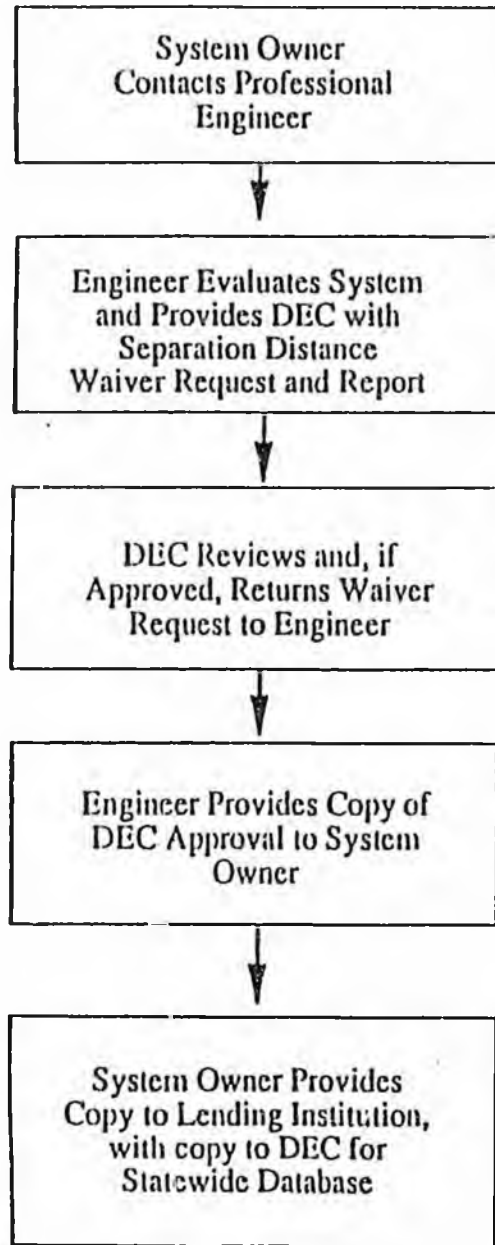
**Activities to Date:** In support of the proposed reduction in single-family and duplex approvals the Department testified at House and Senate Finance Committee Hearings on our FY 92 Budget Request. We have also notified the Banking and Real Estate industry, and the Professional Engineering community of the planned change. A series of meetings were held with these groups to identify concerns, and to provide for an orderly transition. Training was presented to Engineers in Anchorage and Fairbanks. A form has been prepared for the use of the industry in substituting Professional Engineer approval for the Departments approval.

**Situation in Other States:** Alaska is unique in having a state agency involved with the on-site wastewater system approvals. In most other states, the local government or county health departments provide this service. The state usually is only involved as far as establishing minimum criteria.

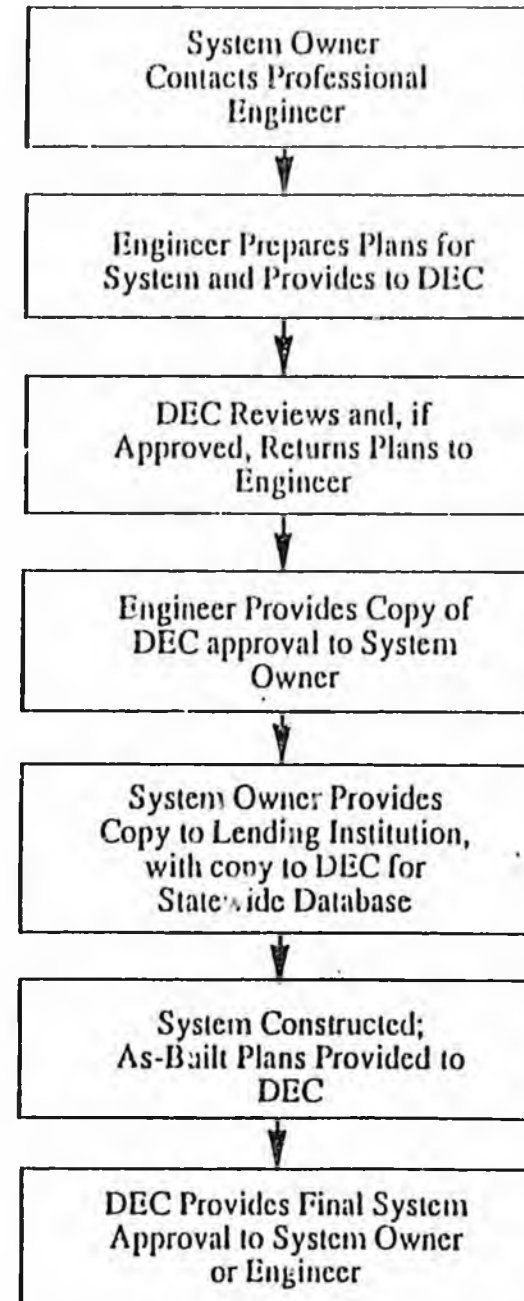
# On-Lot Wastewater System Certification Process

(No Proposed Changes)

## Existing or New Wastewater Systems, Requiring Separation Distance Waiver



## New Systems, Larger than Duplex and/or Non-Conventional





# DENALI STATE BANK

118 N. Cushman Street • (907) 456-1400 • FAX (907) 456-2140 • P.O. Box 74568 • Fairbanks, Alaska 99707-4568

January 15, 1992

Representative Mark Boyer  
Alaska House of Representatives  
Juneau, AK

Sent VIA FAX - 465-3841

RE: HB 387

Dear Representative Boyer:

Thank you for introducing the above referenced bill. This bill is supported by myself as President of Denali State Bank and by the Alaska Bankers Association of which I am the current President.

Your efforts in seeking the passage of this bill, which will continue to assist the financial institutions in originating mortgage loans on residential properties, is sincerely appreciated. Thank you.

Sincerely yours,

A handwritten signature in cursive script that reads "Gary Roth".

Gary Roth  
President and Chief Executive Officer

GR/bf



**First National Bank**  
of Anchorage

---

Representative Mark Boyer

The First National Bank of Anchorage would like to briefly describe our concerns regarding the possible suspension of on-lot well and septic approvals by DEC.

They are as follows:

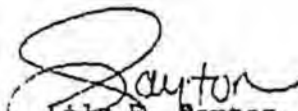
1. Lenders would be expected to rely on reports completed by certified installers and engineers who have already demonstrated a 31% return rate by DEC on their reports. The rate of return in Anchorage alone was 75%. Please refer to Dick Farnell's letter dated August 21, 1991, a copy of which is attached.
2. We have been also advised by Dick Farnell in his letter of the following:
  - A working knowledge of on-lot septic systems is required of reviewers to adequately review certifications and reports.
  - Not all installers or engineers would know of the existence of special conditions, some of which may not be readily identifiable from cursory soil examinations, and would require experience with the local soils.
3. DEC has indicated they currently have a library of information available concerning soil conditions around the state and have suggested lenders submit copies of the reports received from engineers and installers to DEC so they can continue to update their library. As it is unclear how this procedure would be enforced, it is felt that this procedure would go by the wayside which would render this library obsolete in no time.

Although there are many qualified engineers and installers in Alaska, it appears as though lenders would ultimately be responsible for reviewing the reports submitted to determine whether they are accurate and complete. I think we can all agree that lenders do not have this type of expertise and to leave this to chance would do a great injustice to the public.

The First National Bank of Anchorage would like to thank you for introducing House Bill No. 387, which appears to address the problem.

If you have any questions concerning this matter, please feel free to contact me at 265-3566.

Sincerely,



Lily B. Payton  
Vice President

Investor Lending Production Division

LRP/ph

ASSOCIATE MEMBERS

Arctic Mortgage Insurance Co.  
P.O. Box 23-0008  
Anchorage, Alaska 99523  
Doug Green 349-5641

Transalaska Title Co.  
400 W. Tudor Rd.  
Anchorage, Alaska 99503  
561-1844

Credco of Alaska  
1225 E. International Airport Rd.  
Suite 200  
Anchorage, Alaska 99518  
Henri M. Roos 561-7333

Veterans Administration  
2352 8th Ave.  
Anchorage, Alaska 99513  
Curtis Brantley 271-2222

Credit Bureau of Alaska  
3003 Minnesota, Suite 300  
Anchorage, Alaska 99513-7537  
Brenda S. Reynolds 279-5689

AK. State Housing Auth.  
624 W. Int'l Airport Rd.  
Anchorage, Alaska 99503  
Ann Marie Lindboe 562-2813

HUD  
222 W. 8th Ave., Suite 64  
Anchorage, Alaska 99513-7537  
James Snyder 271-4175

Land Title Co.  
1001 E. Benson Blvd.  
Anchorage, Alaska 99508-4256  
Jodi Clarke 563-5263

Mortgage Guaranty Insurance Corp.  
1500 W. Benson Blvd., Suite 500  
Anchorage, Alaska 99503  
Tom Ster 274-6442  
Sally Tower 274-6442  
Jerry Tibor 274-6442

Pacific Rim Title Co.  
307 E. Northern Lights Blvd.  
Anchorage, Alaska 99503  
Julie Korting 274-2562  
Pat Kennedy 274-2562

Security Title & Trust Co.  
3333 Denali St., Suite 100  
Anchorage, Alaska 99503  
Bob Stumpff 276-0909  
Larry Moss 276-0909  
Pamela Blank 276-0909

Stewart Title Co. of Alaska  
510 W. Tudor Rd., Suite 1  
Anchorage, Alaska 99503  
Art Eash 561-5122

July 1991



REALTOR®

ALASKA ASSOCIATION OF REALTORS, INC.®

741 Sansome Street, Suite 100 • Anchorage, Alaska 99503  
Telephone 907-563-7133

Post-It™ brand fax transmittal memo 7671 # of pages &gt; L

DATE: February 12, 1992

TO: Board Presidents  
Executive Officers  
Board Legislative Chairmen

FROM: Dave Feeken, Chairman  
Political Affairs Committee

|       |                |         |           |
|-------|----------------|---------|-----------|
| To    | Lucille Stietz | From    | Dave Turr |
| Co.   | NBA            | Co.     | AAR       |
| Dept. |                | Phone # | 563-7133  |
| Fax # | 257-3412       | Fax #   |           |

## CALL TO ACTION

The Legislative and Political Affairs Committees of the Alaska Association of REALTORS® urge all members to contact their elected officials and the Department of Environmental Conservation (DEC) concerning the on-site certification process of well/septic systems. The Alaska Association of REALTORS® supports DEC's plan to privatize the approval process of "standard" single family and duplex on-site well/septic systems. Furthermore, we urge DEC to adopt regulations governing the engineer certification process by April 15, 1992.

1. Adoption of the DEC plan will save the Department funds in administering what all of us know is practically a rubber-stamp process now.
2. Adoption of the DEC plan will shorten the period of time for closing, as there will no longer be any DEC delays.
3. DEC will continue to approve "designated systems."
4. Privatization will allow for competition and the marketplace will set the fees.

AAR members are also urged to ask their legislators to pass H.B. 387, which mandates DEC issue written approval of single family and duplexes. This will take the certification process out of the political arena, at last. This bill does not affect the issue of private engineers approving "standard systems," as DEC can certify engineers through regulation.

# **AlaskaUSA**

Federal Credit Union

---

January 21, 1992

Representative Mark Boyer  
State Capitol  
Juneau, AK 99801

Dear Representative Boyer:

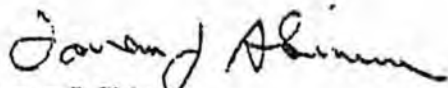
Re: DEC On-site Certification  
House Bill 387

Please consider this letter as Alaska USA's support for the passage of House Bill 387.

Based on numerous meetings that the mortgage lending community has had with the Department of Environmental Conservation (DEC), we feel that the review and approval of on-site well and septic systems should be performed by qualified personnel in the DEC's office. Mortgage lenders lack the expertise required to interpret engineers' reports on the performance of well and septic systems. Consequently, to confirm the adequacy of such systems, DEC's review and approval should be required.

We appreciate your assistance in this matter.

Sincerely,



Lorrain J. Skinner  
First Senior Vice President



*Above  
the  
Crowd!*®

Representative Cliff Davidson  
Alaska House of Representatives  
State Capitol  
Juneau, AK 99801-1182

Dear Representative Davidson:

The Alaska Association of REALTORS (AAR) supports in part the position of the Alaska Mortgage Bankers Association (AMBA) concerning the on-site certification of well and septic systems.

AAR supports DEC proceeding with their plan of private professional engineers performing the certification process. AAR urges the Department of Environmental Conservation to proceed as soon as possible with the request to adopt regulations concerning the certification program of professional engineers, and have these regulations in place by April 15, 1992.

AAR seeks DEC's support in passing H.B. 387 by Representative Boyer of Fairbanks; this bill is necessary for stability of the home loan process for the general public. It takes the yearly politics out of a process in which politics do not belong.

Respectfully  
*Dave Feeken*

Dave Feeken  
Member, Alaska Association of REALTORS



**RE/MAX** of the peninsula  
100 trading bay rd., suite 6  
kenai, alaska 99611  
phone: (907) 283-5888  
each office independently owned and operated



# BELUGA REALTY

(907) 283-7473  
FAX  
(907) 283-7200

M E M O

DATE: February 13, 1992  
TO: Representative Cliff Davidson 465-5070  
FROM: Beluga Realty  
RE: Bill HB 387

The Alaska Association of REALTORS® (AAR) supports in part the position of the Alaska Mortgage Bankers Association (AMBA) concerning the on-site certification of well and septic systems.

AAR supports DEC proceeding with their plan of private professional engineer performing the certification process. AAR urges the Department of Environmental Conservation to proceed as soon as possible with the request to adopt regulations concerning the certification program of professional engineers, and have these regulations in place by April 15, 1992.

AAR seeks DEC's support in passing HB 387 by Representative Boyer of Fairbanks, this bill is necessary for stability of the home loan process for the general public. It takes the yearly politics out of a process in which politics do not belong.

Respectfully,

*Sandra Benson*  
Sandra Benson, Member, Alaska Association of REALTORS®

*Dee Timlin*  
Dee Timlin, Member, Alaska Association of REALTORS®

*Luella Yezierski*  
Luella Yezierski, Member, Alaska Association of REALTORS®

*Art Woodward*  
Art Woodward, Member, Alaska Association of REALTORS®

*Phyllis Hildebrandt*  
Phyllis Hildebrandt, Member, Alaska Association of REALTORS®

*Sheryl Frolich*  
Sheryl Frolich, Member, Alaska Association of REALTORS®



REALTOR®

ALASKA ASSOCIATION OF REALTORS, INC.:

741 Sesame Street, Suite 100 • Anchorage, Alaska 99503  
Telephone 907-563-7133

April 13, 1992

Representative Mark Boyer  
State Capitol  
Juneau, AK 99801-1182

Dear Representative Boyer:

The Alaska Association of REALTORS® has reviewed CSHB 387, the act relating to accrediting engineers for inspections of wastewater systems for single family homes and duplexes.

The Association is satisfied with this bill as written and thanks you for your assistance in this matter.

Sincerely,

Dea Turner  
Executive Vice President

cc: Konrad Reinke  
Legislative Chairman

*The Voice for Real Estate*™ in Alaska

REALTOR® is a registered mark which identifies a professional in real estate who subscribes to a strict Code of Ethics as a member of the NATIONAL ASSOCIATION OF REALTORS®



# Alaska State Legislature

REPRESENTATIVE  
MARK BOYER

VICE CHAIRMAN  
HOUSE FINANCE COMMITTEE

hand carry



House of Representatives

Jan. 31, 1992

FAIRBANKS

1098 LAKEVIEW TERRACE  
FAIRBANKS, ALASKA 99701  
(907) 456-6473

JUNEAU

P.O. BOX V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3466

The Honorable John Sandor  
Commissioner  
Department of Environmental Conservation

Dear Commissioner Sandor:

I request that the Department of Environmental Conservation postpone its plans to discontinue on February 2 certification of on-lot domestic wastewater systems for one and two family properties.

As you know, I have introduced legislation to give the DEC specific authority to issue certifications of these properties for property owners who request them (HB 387).

We have requested our legal staff to review the memorandum of understanding between the Department of Labor and the Department of Environmental Conservation, giving the DEC primary responsibility for regulating private sewage disposal systems," so long as such regulation is no less stringent than that set forth in AS 18.60.705 and Appendix I of the Uniform Plumbing Code." I question whether or not the DEC can delegate that authority away to the private sector.

The prudent course of action with regard to this issue would be to wait until a determination has been made on the department's authority to discontinue the certification process.

If we don't clear up the cloudy issue of regulatory responsibility and authority before DEC takes further action, the home mortgage industry could be adversely affected, by discontinuing approval of new mortgages, or at least greatly lengthening the time it would take a prospective home buyer to secure a loan.

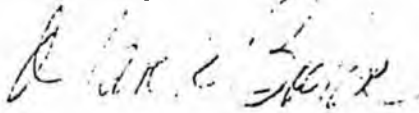
FAIRBANKS 20B



Neither one of us wants to make home ownership any more difficult than it already is. By going forward with your plan to discontinue on-lot certifications, while there are unanswered questions, you will be doing a great disservice to the home buyers and lenders of Alaska.

I look forward to hearing from you soon.

Sincerely,



Mark Boyer  
Representative

cc: Rep. Jerry Mackie, Chair  
House Community and Regional Affairs  
Senator Steve Frank  
Senate Community and Regional Affairs

**DEPT. OF ENVIRONMENTAL CONSERVATION**

OFFICE OF THE COMMISSIONER  
410 WILLOUGHBY AVENUE, SUITE 105  
JUNEAU, AK 99801-1795

Phone: (907) 465-5000  
Fax: (907) 465-5070

February 10, 1992

The Honorable Mark Boyer  
Alaska State House  
P.O. Box V  
Juneau, AK 99811

Dear Representative Boyer:

I have received your letter asking that DEC continue to provide certification of engineering plans for on-lot sewage disposal beyond our target cut off date of February 1. I apologize for not responding in writing prior to now; we have, however, been in close and nearly daily contact with your office on this issue.

As you know, we met with Kurt Parken of your staff, Wes Coyner representing the Alaska Bankers Association and Lucille Steitz representing the Alaska Mortgage Bankers Association on February 6. The result of that meeting was the following:

- \* DEC would provide to the bankers the list of engineers who attended the workshop on on-lot certification in Anchorage and Fairbanks last month with a cover letter stating that DEC felt these engineers were qualified and competent to perform the work;

- \* DEC would continue such workshops around the state, and would look at either contracting with these "trained" engineers or continuing to provide to the bankers a listing of those engineers DEC feels are qualified and competent; and

- \* Where there are no engineers trained by DEC on the on-lot certification, DEC will continue to provide that service.

A second meeting with Mr. Parken, Ms. Steitz, Bob Sullivan of Alaska Housing Finance Corporation, and John Boyd of Key Bank of Alaska was also held on February 6. At that meeting, our letter of transmittal was reviewed and accepted by the banks. That letter was received by Ms. Steitz on February 7.

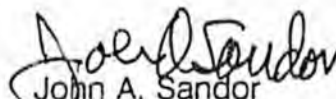
I understand you question the precise requirements of the Memorandum of Understanding between the DEC and the Department of Labor. Our files indicate that this agreement was reached in order to clarify which agency would be responsible for determining the proper regulatory requirements for private sewage systems and that DOL would defer to our regulations. However, because we feel it is important to obtain a legal

determination, we will be asking the Department of Law for a formal opinion. We will provide your office with a copy as soon as it is received.

Change often results in questions and concerns. We are confident that as the transition continues, they will be resolved. Cooperation by all parties is needed, and DEC has indicated our willingness to make the transition as smooth as possible by continuing to provide the certifications where no "trained" engineer is available, and by fielding calls from the public as stated in our press release of February 7.

Thank you for your concern and we look forward to continuing to work with you.

Sincerely,

  
John A. Sandor  
Commissioner

cc: Senator Steve Frank  
Senator Paul Fischer  
Representative Jerry Mackie  
Representative Cheri Davis  
Representative Larry Baker  
Representative Ron Larson  
Janice Adair, Special Assistant  
Deena Henkins, Water/Wastewater  
Mike Menge, Director, EQ

**DIVISION OF LEGAL SERVICES**  
**LEGISLATIVE AFFAIRS AGENCY**  
**STATE OF ALASKA**

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

240 Main Street, Suite 500  
Juneau, Alaska 99801-2101

MEMORANDUM

February 5, 1992

**SUBJECT:** Regulation of domestic wastewater systems (HB 387)

**TO:** Representative Jerry Mackie, Chair  
House Community and Regional Affairs Committee

**FROM:** Teresa B. Cramer *TBC*  
Legislative Counsel

You have asked several questions that pertain to the above referenced bill.

1. Does the Uniform Plumbing Code require state review and approval for domestic sewage systems in single family homes and duplexes.

Under AS 18.60.705, the state has adopted the Uniform Plumbing Code, with some exceptions. The plumbing code requires inspection by the Administrative Authority for new construction or changes in existing sewage systems in single family homes. (See sec. 318(a) of the Uniform Plumbing Code.) The Administrative Authority is defined as the individual official, board, department, or agency established and authorized by a state . . . to administer and enforce the provisions of the plumbing code. (See sec. 102(c) of the Uniform Plumbing Code.) I did not find any requirement for approval of existing, unchanged plumbing, even if a house was being sold.

2. Is the Memorandum of Understanding between the Department of Environmental Conservation and the Department of Labor, entered into in February 1983 still in effect?

According to both Janice Adair of the Department of Environmental Conservation (DEC) and Al Dwyer of the Department of Labor (DOL), the Memorandum of Understanding was still in effect when I spoke with them on January 27 of this year. Note that, as an agreement between two departments, it is subject to change by those departments.

3. Will the Department of Labor have to assume the required state review if the Department of Environmental Conservation ceases to review plumbing systems?

According to Mr. Dwyer of DOL, the department would have to assume this responsibility. I found nothing in the Uniform Plumbing Code permitting the Administrative Authority to delegate the inspection and approval function. The code does permit the Administrative Authority to delegate the observation of tests to a "duly appointed representative." (See sec. 318(a)(5) of the Uniform Plumbing Code.) Mr. Dwyer added that DOL would rely on engineering reports furnished by the owners of the houses in conducting their review and approval function. Mr. Dwyer also noted that under the terms of the current collective bargaining agreement that covers plumbing inspectors, the state is prohibited from contracting out work that is currently performed by state employees.

4. What effect does DEC's decision to stop approving plans for modification or new construction of wastewater systems have on the ability of the Alaska Housing Finance Corporation (AHFC) to make and purchase loans?

Under AS 18.56.300(a), AHFC may not make or purchase a housing loan for residential housing constructed after June 30, 1992, unless the unit complies with the construction codes of the municipality or the state building codes. Both "construction codes" and the "state building code" are defined, in subsection (d), to include the applicable plumbing code. Under subsection (b), AHFC may not make a commitment to purchase or approve a loan for residential housing constructed after June 30, 1992, until the unit has been inspected. The subsection states, in part

The inspection must be performed by a municipal building inspector or by a person who is approved or certified to perform residential inspections by the International Conference of Building Officials or the International Association of Electrical Inspectors. The person who makes the inspection shall determine whether the construction conforms to relevant provisions of the construction codes of the municipality or of the state building code, as applicable, at each of the following stages of construction:

...  
(3) completion of electrical installation, plumbing, and  
framing;

...  
It appears, therefore, that AHFC may accept inspections performed by properly approved or certified private individuals. The cost of these inspections would presumably be an item of negotiation between the seller and the buyer but would increase the cost of purchasing (or decrease the profit of selling) residential housing.

If I may be of further assistance, please advise.

TC:pl  
92-070.plm

# National Bank of Alaska



February 11, 1992

Mortgage Loan Department P.O. Box 107025 Anchorage, Alaska 99510-7025 (907) 257-3434  
1500 W. Benson Blvd., Fourth Floor Anchorage, Alaska 99503

Ms. Deena Henkins  
Water/Wastewater  
Dept. of Environmental Conservation  
410 Willoughby Avenue, Suite 105  
Juneau, AK 99801-1795

Dear Ms. Henkins:

As we discussed on the telephone last night, representatives of the mortgage banking industry met this morning to review the various information and communications which have been distributed since February 1.

Attached is a news release from the Alaska Mortgage Bankers Association. The proposed guidelines referred to in the fifth paragraph of the news release are as follows:

Our first preference is that DEC continue to perform on-lot certifications on single family and duplex residences as it has historically done.

If DEC proceeds with its plan to have on-lot certifications performed by private engineers, the industry representatives present stated they would accept certifications by engineers on DEC's list of trained engineers on an interim basis. This would allow DEC time to adopt regulations to establish a certification program for professional engineers, including suspension and removal, or other options which would continue state oversight, such as a contract arrangement between the state and the engineers. Those present agreed to the above arrangement, provided the regulations are in place by April 15th.

The group further agreed that passage of legislation which clears up the issue of authority and responsibility is necessary and plans to continue its efforts toward that goal.

Representatives attending the meeting were from AHFC, FHA, VA, Alaska Assn. of Realtors, Security Pacific Bank, National Bank of Alaska, First National Bank of Anchorage and Northrim Bank. Others not present but agreeing with the position include Key Bank of Alaska, Northland Mortgage Company, and City Mortgage.

We look forward to an early resolution of the situation and appreciate your interest.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Lucille Stietz'.

Lucille Stietz  
Vice President

**ALASKA MORTGAGE BANKERS ASSOCIATION**

P.O. BOX 9-2691 / ANCHORAGE, ALASKA 99509-2691

February 11, 1992

Reference: News Release of February 7, 1992 by DEC regarding Approval of On-Lot Septic Systems.

Contact: Jon R. Boyd

The Alaska Department of Environmental Conservation issued a Press Release on Feb. 7th, which stated that approval of on-lot septic systems serving single family or duplex residences would now be done by private engineers instead of by DEC. The Alaska Mortgage Bankers Association has not agreed to the discontinuation of the program as was previously reported by DEC.

House Bill 387, which was introduced by Rep. Mark Boyer, would clearly give DEC the authority to perform the certifications, an authority which DEC has in the past said it did not have. The industry believes that DEC should continue its oversight of this important public health issue and strongly supports passage of Boyer's bill.

The mortgage banking industry has, since last May when DEC first announced discontinuation of on-lot certifications, asked DEC to continue providing oversight on single family and duplex units, as it does on 3 or more unit properties and as it has historically done on the smaller properties. An additional postponement of implementation of DEC's plan was requested until the pending legislation had been addressed; however, DEC discontinued the certifications effective February 1.

Three mortgage industry officials met with DEC on February 6th to discuss the issue and to attempt to arrive at an acceptable resolution of the situation. Those attending, in addition to DEC staff, were Robert Sullivan, Intergovernmental Affairs Director, Alaska Housing Finance Corporation; Jon R. Boyd, Executive Vice President, Key Bank of Alaska, and Lucille Stietz, Vice President, National Bank of Alaska. The meeting with DEC was intended to help resolve the issue quickly, to prevent delay in closing of real estate transactions and alleviate uncertainty as to requirements by lenders and DEC.

Mortgage lenders continue to look for a resolution which includes state oversight. The industry preference is that DEC continue to perform on-lot certifications as it has historically done. The industry has, however, proposed guidelines to DEC which would meet secondary market criteria and avoid disruption to the housing market if DEC proceeds with its plan to have private engineers perform the certification. Boyd stated, "We are lenders. It is not our intent to be an approving authority or to certify to the training of engineers."

Industry representatives are especially concerned about the potential for disruption to the housing market during this time when interest rates are at their lowest since the mid 70's.

# STATE OF ALASKA

## DEPT. OF ENVIRONMENTAL CONSERVATION

Division of Environmental Quality  
Water and Wastewater Treatment Section

410 Willoughby Avenue  
Juneau, Alaska 99801  
Phone: 465-5300  
February 7, 1992

Ms. Lucille Stietz  
National Bank of Alaska  
P.O. Box 10-7025  
Anchorage, Alaska 99510-7025

Dear Ms. Stietz:

### List of Professional Engineers trained at recent workshops for On-Site Wastewater Disposal- January 1992

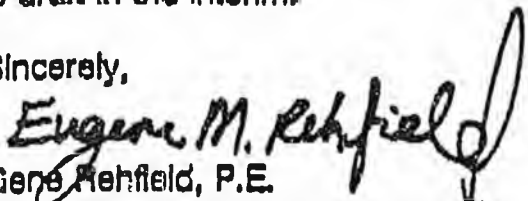
As you are aware, the Department conducted two one-day workshops for Professional Engineers involved with the design, construction, evaluation and approval of individual home and duplex on-site wastewater disposal systems. The workshops were held January 14, 1992 in Anchorage and January 18, 1992 in Fairbanks. Engineers who have completed the training are considered by the Department to be trained and competent to perform all functions related to design, construction, evaluation and rehabilitation of On-Site Wastewater Disposal systems.

It is our intention to offer additional training opportunities for engineers in the future, and we will keep you informed of the current group of trained engineers. The recent workshops were the initial sessions in our new training program. Future programs will be developed further, and will probably involve more formalized instructional goals, examinations and establishment of a period of validity for certifications issued.

We have attached a list of the Professional Engineers that completed the workshops in the recently held sessions. We would like to have your assistance in getting the word to AMBA member banks of the engineers who successfully completed these training workshops.

On a related subject, I am enclosing a draft of the "generic" approval form that we are presently having printed. The form has been developed for the use of Professional Engineers on Conventional On-Site Wastewater Systems. We expect the final form will be distributed to banks and Department field offices in approximately two weeks. Member banks should feel free to use the draft in the interim.

Sincerely,

  
Gene Rehfield, P.E.  
Domestic Wastewater Program Manager

cc: Distribution List

**PROFESSIONAL ENGINEERS REPORT ON CONVENTIONAL ON-SITE WASTEWATER SYSTEM  
APPROVAL OF ON-SITE RESIDENTIAL WATER AND SEWER SYSTEMS**

**PROPERTY DESCRIPTION**

|   |  |
|---|--|
| LOT, BLOCK & SUBDIVISION OR U.S. SURVEY<br><br>Buyer: _____ Seller: _____ | DEC Approval<br>Not Required<br><br><br>DEC District Office<br>Authorized Representative |
|---|--|

**WATER SUPPLY**

A recent water sample was tested and found to meet Department of Environmental Conservation drinking water standards for total coliform bacteria. Results of other tests may be attached (i.e., Nitrates, etc.).

| Name | Title | Date |
|------|-------|------|
|      |       |      |

**WASTEWATER DISPOSAL**

**The domestic wastewater system was:**

- inspected by a Professional Engineer who certifies that the system complies with applicable requirement of 18 AAC 72;
- tested by a Professional Engineer who certifies that the performance of the system is satisfactory and that on the day of inspection no non-compliance with the minimum separation distances specified in 18 AAC 72 was observed;
- installed by a Certified Installer who certifies that the system complies with applicable requirements of 18 AAC 72.

This approval is valid for a  single family  duplex unit with a total of \_\_\_ bedrooms.

| Name | Date |
|------|------|
|      |      |

Professional Engineer Seal

**This approval does not constitute a guarantee or warranty of any kind, explicit or implied, as to the performance of the water supply and wastewater disposal system.**

|                |               |
|----------------|---------------|
| To: MARK RIVER | From:         |
| Co. House      |               |
| 965-5070       | Fax: 965-5070 |

# NEWS RELEASE

Alaska Department of Environmental Conservation  
 410 Willoughby Ave. Juneau, Alaska 99801-1795  
 Phone: (907) 465-5060 Fax: 465-5070



February 7, 1992

Contact: Joe Ferguson

## APPROVAL OF ON-LOT SEPTIC SYSTEMS TO BE DONE BY PRIVATE ENGINEERS INSTEAD OF DEC

Juneau... Private engineers instead of State employees will conduct the reviews and approvals of on-lot wastewater disposal systems needed for obtaining home mortgage financing, according to a proposal by the Department of Environmental Conservation. Alaska's mortgage banking industry has agreed to the approach.

DEC Special Assistant Janice Adair said that DEC will conduct workshops for private engineers on how to do reviews according to wastewater disposal regulations, and the department will continue to review on-lot systems on an as-needed basis until the private engineers have received the instruction. Adair added that 57 private engineers in Alaska attended the first workshops in January.

The review and approval of septic systems is required by the mortgage industry prior to approval of home loans, but in an efficiency move DEC discontinued its reviews for single-family and duplex dwellings. Adair said that the department needs its staff to work on higher-priority environmental protection projects.

"Fortunately, there is a private sector answer to this need--the private engineers--and we can provide the necessary training. It seems to be a workable solution all-around," said Adair. She said that the Alaska Mortgage Bankers Association and the Alaska Housing Finance Corporation agreed to the new approach.

DEC will send its list of trained engineers to bankers, and will keep the list updated. Where no private engineer is available to conduct a review, the department will do so until trained engineers are available. Engineers will do approvals for new systems, inspect existing systems, and approve modifications to existing systems for convention on-lot single family and duplex wastewater systems. DEC will maintain its current wastewater program in other areas and continue to do approvals for other types of systems.

During the transition to the use of private engineers, buyers or sellers of homes experiencing problems with a mortgage loan because of a septic system review should contact a local DEC office for information.

For further information, contact Deena Hankins, DEC in Juneau, 465-5300.

# # #

## **Background on Alaska Department of Environmental Conservation On-Site Wastewater Disposal System Certification Program**

House Bill 387- Seventeenth Alaska Legislature Date: January 23, 1992  
Prepared for House Community and Regional Affairs Committee

The Department of Environmental Conservation reviews and approves engineered plans for modification of existing or new construction of wastewater systems as required by 18 AAC 72.210 Domestic Wastewater System Plan Review.

**Exception:** Plan approval is not required for conventional on-site wastewater system serving a single-family or duplex residence. This exception does not apply to systems that require waiver of separation distance from water.

**The Current Situation:** Approvals of these systems by the Department is not required by regulation. It has been conducted at the request of the Banks and Real Estate industries. The program has required 8.9 FTE's and a budget of \$536,000 (FY 91). In FY 91 the Department approved about 2,400 on-site wastewater systems. Of these, approximately 1,300 systems were conventional and would be affected by the proposed private sector assumption.

**Proposed Reduction:** The Department is planning to have private sector engineers review conventional on-site wastewater systems for single-family and duplexes and their evaluation would be given directly to the bank. A phased transition has been proceeding in FY 92, and should be completed by February 1992. The reduction of program responsibilities not required by regulations is necessary to make use of our limited resources in other important public health and environmental protection areas.

Other program activities are proposed to continue. These include engineering plan approval of all non-conventional systems, or systems which require separation distance waivers. Also, filing and maintaining archival records of previous on-site system approvals. The Department offers training statewide for Certified Wastewater Installers, and maintains a list of contractors who have met the requirements.

**Activities to Date:** In support of the proposed reduction in single-family and duplex approvals the Department testified at House and Senate Finance Committee Hearings on our FY 92 Budget Request. We have also notified the Banking and Real Estate industry, and the Professional Engineering community of the planned change. A series of meetings were held with these groups to identify concerns, and to provide for an orderly transition. Training was presented to Engineers in Anchorage and Fairbanks. A form has been prepared for the use of the industry in substituting Professional Engineer approval for the Departments approval.

**Situation in Other States:** Alaska is unique in having a state agency involved with the on-site wastewater system approvals. In most other states, the local government or county health departments provide this service. The state usually is only involved as far as establishing minimum criteria.

ation of Plumbing and Mechanical Officials and adopted at the 61st annual conference, September 1990;

(2) the 1991 edition of the Uniform Swimming Pool, Spa, and Hot Tub Code, published by the International Association of Plumbing and Mechanical Officials and adopted at the 61st annual conference, September 1990, but excluding Part I, Administration, pages xiii — xxi; and

(3) the 1991 edition of the Uniform Solar Energy Code, published by the International Association of Plumbing and Mechanical Officials and adopted at the September 1990 annual conference, but excluding Part I, Administration, pages xv — xxii.

(b) Notwithstanding (a) of this section, the use of a pipe or pipe fitting containing more than 8.0 percent lead, or of solder or flux containing more than 0.2 percent lead in the installation or repair of a public water system or in the installation or repair of plumbing of a residential or nonresidential facility that provides water for human consumption is prohibited. This subsection does not apply to the use of leaded joints necessary to repair cast iron pipe. (§ 1 ch 15 SLA 1972; am § 1 ch 88 SLA 1980; am § 1 ch 101 SLA 1988; am § 3 ch 29 SLA 1991)

**Revisor's notes.** — Enacted as AS 18.60.680. Renumbered in 1972.

**Cross references.** — For certificates of fitness required to perform work subject to this section, see AS 18.62.010.

**Effect of amendments.** — The 1988 amendment, effective June 5, 1988, added subsection (b).

The 1991 amendment, effective June 12, 1991, rewrote subsection (a).

**Editor's notes.** — Section 3, ch. 101, SLA 1988 provides that (b) of this section "applies to the installation or repair of a water system or plumbing begun on or after June 5, 1988."

**Sec. 18.60.710. Duties of the department.** The department is responsible for the administration of the code. The department may adopt regulations designed for maximum practical implementation of the code, and may grant exceptions from specific code provisions, where distance or other factors make implementation impractical. Specific consideration shall be given to outlying villages and sparsely populated areas to ensure that AS 18.60.705 — 18.60.740 will not impose an undue financial burden. The department may by regulation designate appropriate inspection to a public or private utility company. A company so designated may refuse utility connections if an installation does not meet the requirements of this code. (§ 1 ch 15 SLA 1972)

**Revisor's notes.** — Enacted as AS 18.60.690. Renumbered in 1972.

**Excerpts from 18 AAC 72.210  
Alaska Wastewater Disposal Regulations**

18 AAC 72.210. APPLICATION FOR DEPARTMENT APPROVAL.  
(a) Subject to (b) and (d) of this section, a person must have written department approval to construct, install, modify, or operate any part of a domestic wastewater treatment, collection, or disposal system, and must ensure that the system . . .

(b) Subject to the requirements of Table E, plan approval under this chapter is not required for a conventional onsite soil absorption system serving a single-family or duplex residence, if that system meets the requirements of this chapter.

**TABLE E  
REQUIREMENTS FOR SUBMISSION OF PLANS, REVISIONS TO PLANS,  
AND CERTIFICATION OF CONSTRUCTION**

| Facility Type  | Plan Preparation Requirements  |  | Requirements for Submission of Revisions to Plans |  | Requirements for Certification of Construction                   |  |
|--|--|--|---|--|--|--|
|  | Subsurface Land Discharge  | Surface Water and Surface Land Discharge   | Subsurface Land Discharge                         | Surface Water and Surface Land Discharge   | Subsurface Land Discharge  | Surface Water and Surface Land Discharge                         |
| Single-family dwelling or duplex on a residential or recreational lot  | Plans are not required for a conventional onsite disposal system, except that engineering plans will be required if similar systems in nearby areas have failed, or failure may be expected due to marginal soils or high groundwater table. Engineering plans are required for alternate onsite disposal systems. | Engineering plans are required, except that the department will, in its discretion, accept plans prepared by the applicant for discharge to marine waters. | Required in accordance with 18 AAC 72.235.        | Required in accordance with 18 AAC 72.235. | Required only if engineering plans are required to be submitted. | Required only if engineering plans are required to be submitted. |
| Wastewater systems which are expected to serve, in the normal order of events, more than a single-family or duplex dwelling, but less than 25 persons per day, or have less than 2,500 gal/day average daily design flow | Plans are required; these plans may be prepared by the applicant, except that engineering plans are required when similar systems in nearby areas have failed, poor soil conditions or high groundwater table exist, or where the department finds that discharge may threaten public health or the environment.   | Engineering plans are required, except that the department will, in its discretion, accept plans prepared by the applicant for discharge to marine waters. | Required in accordance with 18 AAC 72.235.        | Required in accordance with 18 AAC 72.235. | Required only if engineering plans are required to be submitted. | Required only if engineering plans are required to be submitted. |
| Wastewater systems which are expected to serve 25 or more persons per day in the normal order of events, or have an average daily design flow equal to or greater than 2,500 gal/day                                     | Engineering plans are required.  | Engineering plans are required.  | Required in accordance with 18 AAC 72.235.        | Required in accordance with 18 AAC 72.235. | Required in accordance with 18 AAC 72.245.                       | Required in accordance with 18 AAC 72.245.                       |

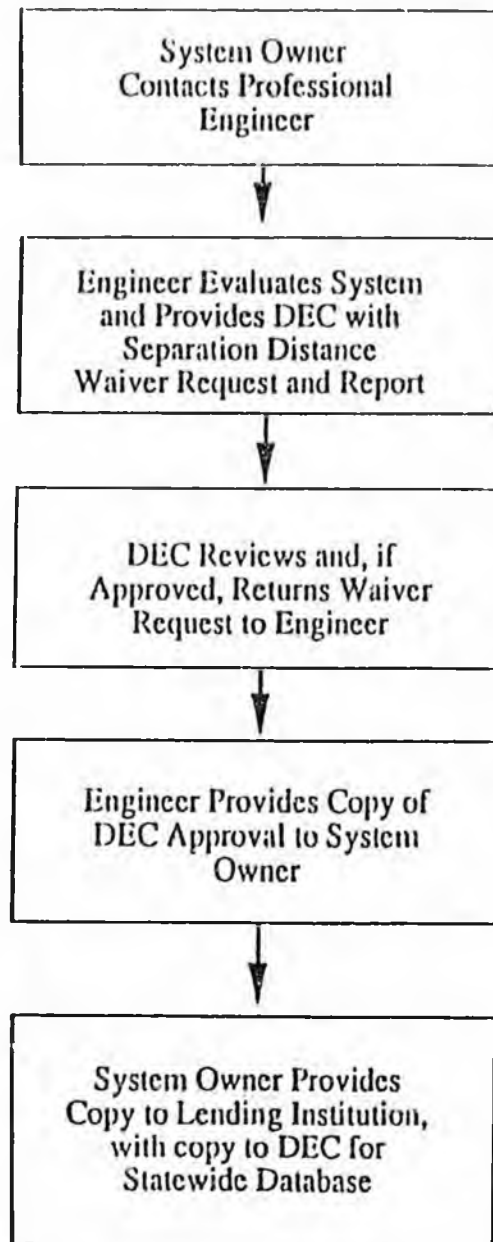
(20) "conventional soil absorption system" means a soil absorption system of typical trench, bed, or seepage pit design as described by 18 AAC 72.950(12) and (15), using natural subsurface undisturbed soils for the treatment media, or any soil absorption system with the same characteristics;

(77) "soil absorption system" means a surface or subsurface system using soil for the treatment and disposal of effluent from a domestic wastewater treatment works; "soil absorption system" includes a filtering field, leaching field, seepage bed, or seepage pit, but does not include a cesspool;

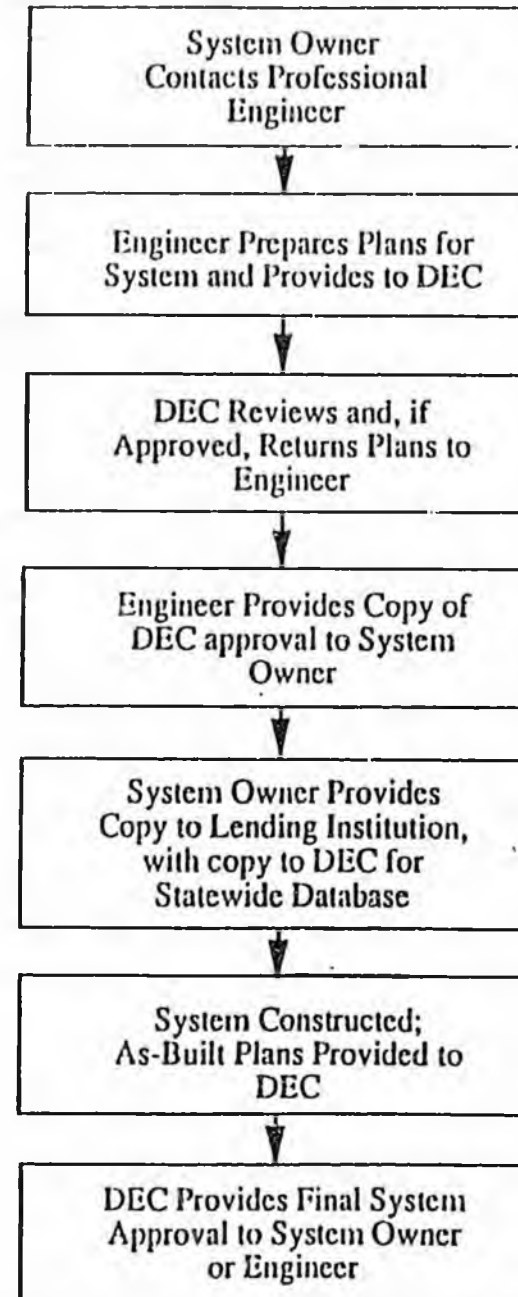
# On-Lot Wastewater System Certification Process

(No Proposed Changes)

## Existing or New Wastewater Systems, Requiring Separation Distance Waiver



## New Systems, Larger than Duplex and/or Non-Conventional



7-LS1595Y  
Cramer  
5/10/92

SENATE CS FOR CS FOR HOUSE BILL NO. 387 (CRA)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:  
Referred:

Sponsor(s): REPRESENTATIVE BOYER

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to accrediting engineers for inspections of wastewater systems for single-  
2 family homes and duplexes; and relating to the accreditation of engineers and  
3 environmental consultants for the assessment and cleanup of sites contaminated with  
4 hazardous substances."

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

6 \* Section 1. The legislature finds that engineers registered under AS 08.48.211 and practicing within  
7 the area of their professional competence are, by virtue of their training, familiar with the regulations  
8 and standards that apply with regard to waste water systems in single family homes and duplexes. These  
9 engineers are accredited to perform inspections of existing domestic wastewater systems, review plans  
10 for construction or modification of domestic wastewater systems, and conduct as-built inspections of new  
11 or modified systems to ensure that the systems meet standards established by law and regulation.

12 \* Sec. 2. The Department of Environmental Conservation shall, within the limits of available  
13 resources, research whether an accreditation program for engineers and qualified environmental  
14 consultants would encourage the privatization of the assessment and cleanup of sites contaminated with

1 hazardous substances. The department shall report the results of its research to the legislature.

# FISCAL NOTE

No. 1

Bill Version: CSHB 387(CRA)

(H) Publish Date: 4/15/92

BILL N

**STATE OF ALASKA  
1992 LEGISLATIVE SESSION**

Revision Date: 14-Apr-92  
 Title: Domestic Sewage  
 Sponsor: Rep. Boyer  
 Requestor: (H) CRA

Department Affected: Environmental Conservation  
 BRU: Environmental Quality  
 Component: Domestic Wastewater

COMPONENT SERIAL NO. 1 | 4 | 2 | 16

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

| OPERATING              | FY 93       | FY 94      | FY 95      | FY 96      | FY 97      | FY 98      |
|------------------------|-------------|------------|------------|------------|------------|------------|
| PERSONAL SERVICES      | 0.0         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| TRAVEL                 | 6.5         | 0.0        | 0.0        | 0.0        | 0.0        | 5.0        |
| CONTRACTUAL            | 19.0        | 2.5        | 2.5        | 2.5        | 2.5        | 10.0       |
| SUPPLIES               | 0.0         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| EQUIPMENT              | 0.0         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| LAND&STRUCTURES        | 0.0         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| GRANTS,CLAIMS          | 0.0         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| MISCELLANEOUS          | 0.0         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| <b>TOTAL OPERATING</b> | <b>25.5</b> | <b>2.5</b> | <b>2.5</b> | <b>2.5</b> | <b>2.5</b> | <b>15.</b> |

|         |  |  |  |  |  |
|---------|--|--|--|--|--|
| CAPITAL |  |  |  |  |  |
|---------|--|--|--|--|--|

|              |  |  |  |  |  |
|--------------|--|--|--|--|--|
| REVENUE      |  |  |  |  |  |
| FUND SOURCE: |  |  |  |  |  |

**FUNDING:** (Thousands of Dollars)

|               |             |            |            |            |            |            |
|---------------|-------------|------------|------------|------------|------------|------------|
| GENERAL FUND  | 0.0         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| FEDERAL FUNDS | 0.0         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| OTHER P/R     |             |            |            |            |            |            |
| FUND SOURCE:  | 25.5        | 2.5        | 2.5        | 2.5        | 2.5        | 15.0       |
| <b>TOTAL</b>  | <b>25.5</b> | <b>2.5</b> | <b>2.5</b> | <b>2.5</b> | <b>2.5</b> | <b>15.</b> |

**POSITIONS:**

|           |     |     |     |     |     |     |
|-----------|-----|-----|-----|-----|-----|-----|
| FULL-TIME | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PART-TIME |     |     |     |     |     |     |
| TEMPORARY |     |     |     |     |     |     |

Estimate of current year impac none

**ANALYSIS:** (Attach a separate page if necessary.)

Operating cost of Engineering Accreditation Program matched by exam fee charged professional engineers.

Prepared by: Janice Adair  
 Division: Commissioner's Office

Phone: 465-5010  
 Date: 4/14/92

Approved by Commissioner: *Janice Adair*  
 Agency: Environmental Conservation

Date: 4/14/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

# FISCAL NOTE

No. \_\_\_\_\_  
 Bill Version: CSHB 387 (RES)  
 (H) Publish Date: 5-2-92

**STATE OF ALASKA**  
**1992 LEGISLATIVE SESSION**

Revision Date: 1-May-92  
 Title: Accrediting Engineers  
On-Lot/Site Assessment  
 Sponsor: Rep. Hoyer  
 Requestor: (H) RES

Department Affected: Environmental Conservation  
 BRU: EQ/SPAR  
 Component: For-sale Wastewater  
Contaminated Sites

COMPONENT SERIAL NO. 1 4 2 6

**EXPENDITURES/REVENUES:**

(Thousands of Dollars)

1      4      3      1

| OPERATING              | FY 93      | FY 94      | FY 95      | FY 96      | FY 97      | FY 98       |
|------------------------|------------|------------|------------|------------|------------|-------------|
| PERSONAL SERVICES      | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0         |
| TRAVEL                 | 6.5        | 0.0        | 0.0        | 0.0        | 0.0        | 5.0         |
| CONTRACTUAL            | 26.5       | 9.5        | 9.5        | 9.5        | 9.5        | 9.5         |
| SUPPLIES               | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0         |
| EQUIPMENT              | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0         |
| LAND & STRUCTURES      | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0         |
| GRANTS, CLAIMS         | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0         |
| MISCELLANEOUS          | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0         |
| <b>TOTAL OPERATING</b> | <b>33.</b> | <b>9.5</b> | <b>9.5</b> | <b>9.5</b> | <b>9.5</b> | <b>14.5</b> |

|         |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|
| CAPITAL |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

|              |  |  |  |  |  |  |
|--------------|--|--|--|--|--|--|
| REVENUE      |  |  |  |  |  |  |
| FUND SOURCE: |  |  |  |  |  |  |

**FUNDING:** (Thousands of Dollars)

|               |            |            |            |            |            |             |
|---------------|------------|------------|------------|------------|------------|-------------|
| GENERAL FUND  | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0         |
| FEDERAL FUNDS | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0         |
| OTHER P/R     |            |            |            |            |            |             |
| FUND SOURCE:  | 33.0       | 9.5        | 9.5        | 9.5        | 9.5        | 14.5        |
| <b>TOTAL</b>  | <b>33.</b> | <b>9.5</b> | <b>9.5</b> | <b>9.5</b> | <b>9.5</b> | <b>14.5</b> |

**POSITIONS:**

|           |     |     |     |     |     |     |
|-----------|-----|-----|-----|-----|-----|-----|
| FULL-TIME | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PART-TIME |     |     |     |     |     |     |
| TEMPORARY |     |     |     |     |     |     |

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

The Department will charge an exam fee for the certifications provided under this legislation.

Prepared by: Janice Adair  
 Division: Commissioner's Office

Phone: 465-5010  
 Date: 5/1/92

Approved by Commissioner: *Janice Adair*  
 Agency: Environmental Conservation

Date: 5/1/92

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