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SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERENCE

DATE: 1/30/91

FURTHER: Judiciary

Date of 5-Day Notice: 3/21/91
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: _____

L&C Committee considered SB 93

Confidentiality of the records of the Commercial Fishing and Agriculture Bank; efd.

and recommended:

- replace with _____ CS _____ same title
- attached amendment(s) new title
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

fiscal note(s) _____

zero fiscal note(s) COMANC / 3-20-91

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

[Handwritten Signature]

OTHER RECOMMENDATIONS:

[Handwritten Signature]
Chair: Signature and Recommendation

SENATE LABOR & COMMERCE COMMITTEE
BILL FILE

BILL NUMBER: SB93
BILL TITLE: CONFIDENTIALITY COMM FISA & AL BANK
SPONSOR: ZHAROFF RECEIVED: 1/30/91

WRITTEN REQUEST TO SCHEDULE: DATE _____ FROM _____
SECTIONAL ANALYSIS RECEIVED: DATE _____ FROM _____
FISCAL NOTE REQUESTED: DATE _____ FROM _____
FISCAL NOTE RECEIVED: DATE _____ FROM _____
FISCAL NOTE CS REQUESTED: DATE _____ FROM _____
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FISCAL NOTE CS RECEIVED: DATE _____ FROM _____
FISCAL NOTE CS REQUESTED: DATE _____ FROM _____
FISCAL NOTE CS RECEIVED: DATE _____ FROM _____

FIVE DAY NOTICE GIVEN:
COMMITTEES OF REFERRAL: FIRST: LTC SECOND: JUD THIRD: _____

DATE	COMMITTEE ACTION
_____	_____
_____	_____
_____	_____
_____	_____

HEARING NOTIFICATION LIST

1. SPONSOR
2. AGENCY
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 93

Revision Date: _____ Department Affected: Commerce & Economic Dev
 Title: Confidentiality of the BRU: Banking, Securities & Corporations
Commercial Fishing & Agriculture Bank Component: Banking
 Sponsor: Sen. Zharoff
 Requestor: _____ COMPONENT SERIAL NO.

1	2	3	3
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Willis F. Kirkpatrick, Director Phone: 465-2521
 Division: Banking, Securities & Corporations Date: _____
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: 3-20-91

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



SENATOR FRED F. ZHAROFF

ALASKA STATE LEGISLATURE

P. O. BOX 405, KODIAK, ALASKA 99615 (907) 486-5259

DURING SESSION:


P. O. BOX V, JUNEAU, ALASKA 99811 • (907) 465-3473 • 465-3474

DISTRICT N

ALASKA PENINSULA • ALEUTIAN CHAIN • BRISTOL BAY • KODIAK ISLAND • LAKE CLARK/LAKE ILIAMNA • PRIBILOF ISLANDS • SHUMAGIN ISLANDS

MEMORANDUM

TO: Senator Drue Pearce
Chair
Labor and Commerce Committee

FROM: Senator Fred F. Zharoff 

DATE: March 8, 1991

RE: Senate Bill 93 - "An Act relating to the confidentiality of the records of the Commercial Fishing and Agriculture Bank; and providing for an effective date."

I respectfully request that SB 93 be scheduled for a hearing before the Senate Labor and Commerce Committee at the committee's earliest convenience.

SB 93 rewrites AS 44.81.260, the statute governing the confidentiality of the Alaska Commercial Fishing and Agriculture Bank's records. The bill was introduced at CFAB's request.

The statute presently holds CFAB to a very strict standard of confidentiality, saying, "...the directors, officers, and employees shall hold in strict confidence all information regarding the business records of the bank..." The statute allows exemptions for the legislative auditor, the legislature (statistical and impersonal information only), the farm credit system, and for specific litigation.

This language has created problems for CFAB in the time period since its adoption (SLA 1981). A number of instances have occurred when attorneys, regulators, law enforcement agents, and judges have sought access to CFAB's records. Under the law, CFAB's only option has been to say "no", forcing formal confrontations before the courts. The end result -- after much time and expense -- is that CFAB predictably loses the cases and the court issues orders requiring CFAB to produce the records.

SB 93 rewrites the statute to avoid unnecessary litigation and provide avenues for the legitimate release of information. While preserving the confidential nature of CFAB's records, it allows exemptions for search warrants, subpoenas, court orders, investigations, legislative audits, etc.

Memo to Senate Labor and Commerce - page 2

The following backup information is attached:

1. Sectional analysis.
2. Current CFAB confidentiality statute.



SENATOR FRED F. ZHAROFF

ALASKA STATE LEGISLATURE

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DURING SESSION:

P. O. BOX V, JUNEAU, ALASKA 99811 • (907) 465-3473 • 465 3474

DISTRICT N

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SECTIONAL ANALYSIS

SENATE BILL 93

"An Act relating to the confidentiality of the records of the Commercial Fishing and Agriculture Bank; and providing for an effective date."

SECTION 1

Rewrites AS 44.81.260, the section that currently establishes the confidentiality requirements for the records of the Alaska Commercial Fishing and Agriculture Bank (CFAB).

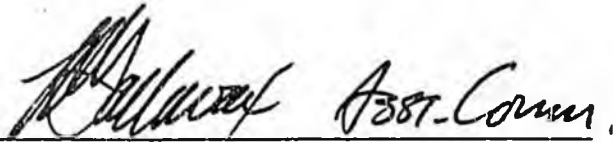
- (a) Provides for the confidentiality of those records identified with a specific borrower, bank member, or loan applicant, or can be identified as being from the records of one of those persons. Allows exemptions (1) through (9).
- (b) Allows CFAB to keep all of its other records confidential, subject to exemptions (a)(1)-(5).
- (c) Allows disclosure of records if a borrower, bank member, or loan applicant authorizes the disclosure in writing.
- (d) Defines "member" and "records".

SECTION 2

Immediate effective date.

SB 93: An Act relating to the confidentiality of the records of the Commercial Fishing and Agriculture Bank; and providing for an effective date."

The department has no opposition to this bill, as it does not affect any of the department's programs.



Glenn A. Olds, Commissioner

Date: 3-21-91