

**SB**

**99**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred: May 6, 1993

FURTHER REFERRALS:

Rules

Date of Committee Action: 5/9/93

The FINANCE Committee considered:

CSSB 99(FIN) am(efd fld)

CS FOR SB NO. 99(FIN) am(efd fld)

FINANCIAL ADMINISTRATION OF STATE GOVT.

"An Act relating to licenses, certificates, permits, and programs administered and fees charged by the Alcoholic Beverage Control Board, the office of public advocacy, the Alaska Commission on Postsecondary Education,

TITLE CONTINUED ON PAGE 2

RECOMMENDATIONS:

be replaced with H RS CSSB 99 (FIN)  the same title  a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

fiscal impact (2) PS F+G, DEC

zero fiscal note

APPROVES PREVIOUS:

fiscal note(s) (2) AL Comm Postsecondary Ed 4/26/93 LABOR 4/26/93

zero fiscal note(s) (3) Admin 4/26/93

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Eileen P. Marlowe</i>	<input checked="" type="checkbox"/>				
<i>Ronald Larson</i>	<input checked="" type="checkbox"/>				
<i>Richard [unclear]</i>	<input checked="" type="checkbox"/>				
		<i>Mark Hanley</i>		<input checked="" type="checkbox"/>	
		<i>Anna Martin</i>		<input checked="" type="checkbox"/>	
		<i>Walt J. Farrell</i>		<input checked="" type="checkbox"/>	
		<i>Ben [unclear]</i>		<input checked="" type="checkbox"/>	
		<i>[unclear]</i>		<input checked="" type="checkbox"/>	
		<i>Larry Brown</i>		<input checked="" type="checkbox"/>	
		<i>[unclear]</i>		<input checked="" type="checkbox"/>	
		<i>Mike Havare</i>		<input checked="" type="checkbox"/>	

*Ronald Larson*  
CHAIRMAN'S SIGNATURE

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO: HCSCSSB 99(FIN)

Revision Date: 5/10/93 Dept. Affected: Public Safety  
 Title: "An Act relating to motor vehicles" BRU: Motor Vehicles  
 Component: Field Services  
 Sponsor: Senate Rules  
 Requestor: House Finance COMPONENT SERIAL NO. 502

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	82.0	109.5	0	0	0	0
TRAVEL						
CONTRACTUAL	55.1	1.6	1.6	1.6	1.6	1.6
SUPPLIES						
EQUIPMENT	15.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>152.1</b>	<b>111.1</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>
<b>CAPITAL</b>						
<b>REVENUE FUND</b>	<b>2591.0</b>	<b>2731.6</b>	<b>2731.6</b>	<b>2731.6</b>	<b>2731.6</b>	<b>2731.6</b>
SOURCE: 1005						

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	152.1	111.1	1.6	1.6	1.6	1.6
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>152.1</b>	<b>111.1</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>

**POSITIONS:**

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

Estimate of current year (FY 93) impact: \$ none

ANALYSIS: (Attach a separate page if necessary.)

Please see attached.

Prepared By: Juanita Hensley Phone: 465-4361  
 Division: Motor Vehicles Date: 5/10/93  
 Approved by Commissioner: *[Signature]* Date: 5/10/93  
 Agency: Richard L. Burton, Dept. of Public Safety

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This is a technical amendment to reflect the current computer technology in use. The Department of Public Safety uses a relational database in the Alaska Public Safety Information Network (APSIN). With this type of database there is no separate file or database that could be called "the vehicle register". The creation of such a list for sale to user has historically been done for more than 20 years and this amendment clarifies this sale as an electronic service. This protects over \$100,000 in revenue from those vendors who argue that this list should be provided at no charge. There is no fiscal since this amendment clarifies the current situation.

This section would place Alaska in compliance with uniform federal regulatory guidelines for the issuance of handicap plates. These standards limit the plates and the use of special parking places to those persons with mobility handicaps. Current Alaska law allows those with other than mobility handicaps to obtain the plates. Revenue estimates are based on the assumption that 15% or 480 of the 3200 persons with these plates would not qualify and would have to pay regular fees.

Revenue - 480 registrations @ \$35                      \$16,800

This amendment closes a loop hole in the current law that allows dealers to misuse the dealer plate and prevents further loss of revenue. Since only one dealer was known to have misused the plates the additional revenue will be negligible.

This amendment takes away the authority to issue vehicle titles to mobile homes. In almost all cases the mobile homes are permanently mounted in trailer parks and should be classed as real property. A title is usually only required when the mobile home is financed because the banks feel getting a vehicle title is easier than filing a UCC lien or a real property lien. Since the title is optional the division usually cannot guarantee ownership since there is no clear chain of documents normally associated vehicle ownership. There would be a small loss of revenue from the approximately 150 titles issued each year.

Revenue - 150 title and lien fees @ \$10              (\$1,500)

This amendment improves efficiency by removing ambiguity associated with senior citizen exemptions and eliminating associated problems. Many senior citizens buy and sell several vehicles during the year and try to claim exemptions on each one. The statute only allows one exemption per year. There is no fiscal impact.

Historically only 25-30% of vehicle owners use the mail to renew vehicle registrations. The remainder, over 300,000, come in person to a DMV office adding to the long lines when there is no need to do so. This section charges an additional \$10 for those who do not use the mail service. This approach was taken over giving a discount to those who use the mail because it is a revenue generator rather than a revenue loss. It places the cost directly on those who are creating the efficiency loss. Even with this incentive it is estimated that 200,000 owners will still come in person to renew their vehicles.

Revenue - 200,000 @ \$10	\$2,000,000
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Many businesses are registering their vehicles in the non-commercial categories claiming they are not used for business but are used for such things as personal transportation. This eliminates this loop hole and requires them to pay commercial fees. The biggest category affected will be passenger cars and rental vehicles which have been rented for non-commercial transportation. The average difference in registration fees will be \$16 for approximately 25,000 vehicles.

Revenue - 25,000 vehicles @ \$16	\$400,000
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This Section changes the Municipal Vehicle Registration Tax amounts to 10% for FY 94.

Additional work must be performed to change the computer programs to reflect the new rates and in training the employees on the new rate structure. This work alone is not enough to justify a full-time position, but absorbing it will adversely affect other administrative functions.

Approximately 480,000 vehicles, or 81% of the total number of registered vehicles, are in areas subject to the tax. Any increase in fees increases the workload in public service offices of the Division, since DMV employees collecting the tax will receive public complaints, which take time and result in increased delays for the others in line. The public sees this as a state tax and not a local municipal property tax. Frequent changes to the fee increase processing time, because employees will not be as familiar with the fees. There are only 17 different registration fees, but there are 89 different categories for the registration tax.

Based on DMV's experience, increases of this nature will impact workloads 3-5%. As a result, DMV will increase the field office staffing by 3% or 3 PFT positions. Under the proposed bill, DMV's retention of funds to cover collection costs would be increased from 5% to 8%, subject to appropriation by the legislature. The increase is adequate to cover the increased cost of administering the program in FY 94 and FY 95.

The increase in revenue for DMV retention, above the FY 94 current rate calculations, is as follows:

FY94	FY95	FY96	FY97	FY98	FY 99
140.6	281.2	281.2	281.2	281.2	281.2

Detailed costs for Sections 10 through 13 are as follows:

Personal Services	FY94 (9mos.)	FY95
3 Motor Vehicle Rep I/II positions	\$ 82.0	\$109.5
Contractual	\$ 55.1	\$ 1.6
Mail-out registration forms		
Regular registration forms		
Computer line charges		
Equipment	\$ 15.0	
3 Computer work stations		
	TOTAL	
	\$152.1	\$111.1



Position Title Motor Vehicle Representative I/II			Number of Positions 3	Range/Step 8/9	Bargaining Unit GGU
Time Status PFT	Staff Months 9 (1st year)		Location Statewide	Election District Statewide	
Type of Expenditure			Justification		
1	2	3	The adoption of this legislation is estimated to impact the workload of the Division by 3-5%. Approximately 355,000 vehicles, or 66% of the total number of vehicles are in areas subject to the tax. Any increase in fees increases the workload in the public service offices of the Division, since DMV employees collecting the tax will receive the public complaints. Also, frequent changes to fees increases processing time, because employees will not be familiar with the fees. For example, there are only 17 different registration fees, but there are 89 different categories for the registration tax.		
Salary*	54.7				
Benefits*	27.3				
Premium Pay (Included in Above)					
Other					
Total Personal Services		82.0			
Travel					
Contractual		55.1			
Commodities					
Equipment		15.0			
Other					
Total Cost		152.1			
Funding Source For Total Cost					
Federal Receipts	1002				
G.F. Match	1003				
General Fund	1004				
Program Receipts/GF	1005	152.1			
I-A Receipts	1007				
CIP Receipts	1061				
Other					
* Personal Services Salary and Benefits Costs are from PACS calculations.					

REQUEST FOR  
NEW POSITION

AGENCY Department of Public Safety

FY 94

BRU Motor Vehicles

Page 6 of 6

COMPONENT Field Services

Revised Date

FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. CSSB 99(FIN) am(e/d 11d)

Revision Date: May 5, 1993

Department Affected: Fish and Game

Title: Financial Administration of state government

BRU: Soort Fisheries/Administrative support

Component: Soort Fishenes/administrative support

Sponsor: Senate Rules Committee

Requestor: Senate floor amendment by Senator Taylor

COMPONENT SERIAL NO. 0464: 0479

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	1.4	1.4	1.4	1.4	1.4	1.4
TRAVEL						
CONTRACTUAL	9.5	9.5	9.5	9.5	9.5	9.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE: 1024	226.6	228.0	228.7	229.3	229.9	230.4
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1024 Fish and Game Fund	10.9	10.9	10.9	10.9	10.9	10.9
<b>TOTAL</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

ANALYSIS: (Attach a separate page if necessary.)  
See attached page

Prepared By: Geron Bruce *GB* Phone: 465-6143  
 Division: Commissioner's Office Date: 5/5/93  
 Approved by Commissioner: Carl L. Rosier *Carl L Rosier*  
 Agency: Department of Fish and Game Date: 5/5/93

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All expenditures and revenues are a result of section 44 of the bill.

Expenditures included in the bill are for the additional cost of printing, distributing, and accounting for individually numbered nonresident king salmon tags. Tags will be individually numbered in order to prevent the possibility of illegal reuse of short term tags, and to facilitate accurate accounting of the number of tags sold by vendors. These costs include: \$1.4 in personal services for a non-permanent position (range 8) for 1 month to assist in mailouts of supplies and in data entry of tags issued, sold and returned. An estimated 120,000 tags will be sold in FY94. The department estimates that \$9.4 will be spent in contractual fees for the additional cost of printing individually numbered tags.

Section 45 of the bill deals with technical changes to existing law which have no fiscal impact.

FISCAL NOTE

SB99

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. CSHB 65 (FIN)  
Sections 62 and 63

Revision Date: 27-Apr-93  
Title: Financial Administration of State  
Government  
Sponsor: Governor  
Requestor: House Finance

Department Affected: Environmental  
Conservation  
BRU: See attachment  
Component: \_\_\_\_\_

COMPONENT SERIAL NO. attached

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	36.6	36.6	36.6	36.6	36.6	36.6
TRAVEL						
CONTRACTUAL	1.0					
SUPPLIES	0.5					
EQUIPMENT	5.0					
LAND&STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>43.1</b>	<b>36.6</b>	<b>36.6</b>	<b>36.6</b>	<b>36.6</b>	<b>36.6</b>

CAPITAL						
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REVENUE						
FUND SOURCE:	446.1	446.1	446.1	446.1	446.1	446.1

FUNDING:

1002 FEDERAL RECEIPTS						
1003 GF MATCH						
1004 GF						
1005 GF/PROGRAM RECPT	43.1	36.6	36.6	36.6	36.6	36.6
1006 GF/MHTLA						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ NONE

ANALYSIS: (Attach a separate page if necessary.)  
  
See attached

Prepared by: Janice Adair, Assistant Commissioner  
Division: Commissioner's Office

Phone: 465-5010  
Date: 4/27/93

Approved by Commissioner: Janice Adair  
Agency: Department of Environmental Conservation

Date: 4/27/93

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

ATTACHMENT

Analysis - Department of Environmental Conversation

BRU ENVIRONMENTAL HEALTH

**Palmer Lab Component (#651)**

Private lab certification program receipts are estimated to be 20.2.

BRU ENVIRONMENTAL QUALITY

**Water Quality Management Component (#645)**

For the 401 permit certification 30.7 is estimated in program receipts.

**Solid Waste Management Component (#1427)**

By placing a surcharge on each ton of waste 375.0 in program receipts is expected.

**Monitoring and Laboratory Support (#643)**

Private lab certifications would generate 20.2 in program receipts.

OPERATING EXPENDITURES

**Administrative Services Component (#635)**

A FTE Accounting Clerk III (R-10) at an annual cost of 36.6 would be necessary to handle billing procedures and collection of the user fees. This position would begin in FY94 to aide in program development and recordkeeping procedures. An initial cost of 5.0, .5 in supplies, and 1.0 in contractual services are anticipated position support costs. Position would not be filled until regulations adopting fee schedules were in place.

Section 63 maintains current air permit fees thus would have no fiscal impact.

Position Title <b>Accounting Clerk III</b>		No. of Positions <b>1</b>	Range / Step <b>10</b>	Org Unit <b>GCN</b>
Time Status <b>1 FTE</b>	Staff Months <b>12</b>	Location <b>Juneau</b>		Election District <b>H:3 S:8</b>
<b>TYPE OF EXPENDITURE</b>		<b>Amount</b>		
Salary	<b>24.7</b>			
Benefits	<b>11.9</b>			
Premium Pay				
Other				
<b>Total Personal Services</b>	<b>36.6</b>	<b>36.6</b>		
Travel				
Contractual		<b>1.0</b>		
Commodities		<b>.5</b>		
Equipment		<b>5.0</b>		
Other				
<b>Total Cost</b>		<b>43.1</b>		
<b>FUNDING SOURCE FOR TOTAL COST</b>				
Federal Receipts	<b>1002</b>			
G. F. Match	<b>1003</b>			
General Fund	<b>1004</b>	<b>43.1</b>		
LA Receipts	<b>1007</b>			
CFR Receipts	<b>1061</b>			
Other	<b>Program receipts</b>			
		<b>Justification</b>  An additional staff person is essential for receiving, recording, and depositing fees collected under the expanded user fee program. This position would also issue invoices, track receipts and reports on collections to program staff. During FY94, staff would aide in planning document flow and record keeping system/database.  An initial expenditure for equipment, supplies and contractual services are anticipated position support costs.		

**Request For  
New Position**

AGENCY Department of Environmental Conservation

ORU Administration  
Administrative Services

COMPONENT

**FY 94**

Page **2** of **2**  
Received Date

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO: CSSB 99(FIN) am(efd fld)

Revision Date: 5/06/93 Dept. Affected: Public Safety  
 Title: "An Act relating to the improvement of BRU: Alaska Police Standards Council  
State Finances" Component: Alaska Police Standards Council  
 Sponsor: Senate Rules  
 Requestor: House Finance COMPONENT SERIAL NO. 519

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>						
<b>REVENUE FUND SOURCE: 1005</b>	11.4	12.0	12.5	13.1	13.8	14.5

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0	0	0	0	0	0

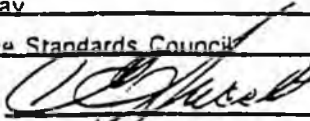
**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY 93) impact: \$ None

ANALYSIS: (Attach a separate page if necessary.)

See attached.

Prepared By: Jack W. Wray Phone: 465-4378  
 Division: Alaska Police Standards Council Date: 5/06/93  
 Approved by Commissioner:  Date: 5/06/93  
 Agency: Richard L. Burton, Dept. of Public Safety

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Analysis:

Passage of this legislation will allow the Council to amend their regulations to include a fee schedule for the issuance of police, probation, parole, and correctional officer certificates and police and correctional instructor certificates.

Estimated revenue amounts are based on the Council's issuance of 228 police, probation, parole and correctional officer certificates and police and correctional instruction certificates during FY 92. Charge per certificate is calculated at \$50.00 per certificate and the yearly increase in revenue is based on a 5% population increase and a corresponding increase in number of officers and instructors.

# FISCAL NOTE

No. 34

## STATE OF ALASKA 1993 LEGISLATIVE SESSION

Bill Version: 1993 94 (FIN)  
(S) Publish Date: 4-26-93

Revision Date: 4/20/93 Department Affected: Natural Resources  
 Title: "An Act relating to improvement of state finances through reduction of operating costs" BRU: Park & Recreation Management  
 Sponsor: Senate Rules Committee Components: Park Management  
 Requestor: Governor Hickel Component Serial No. 452 Sec. 6.6-17

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

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	38.2	19.0	15.0	15.0	0.0	0.0
TRAVEL						
CONTRACTUAL	27.0	15.0	12.0	12.0	0.0	0.0
SUPPLIES	10.8	8.0	5.0	5.0	0.0	0.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>76.0</b>	<b>40.0</b>	<b>32.0</b>	<b>32.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL						
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REVENUE fund source:	150.0 PR	200.0 PR	300.0 PR	400.0 PR	400.0 PR	400.0 PR
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### FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	76.0					
1005 GF/Program Receipts		40.0	32.0	32.0	0.0	0.0
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>76.0</b>	<b>40.0</b>	<b>32.0</b>	<b>32.0</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	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY93) impact: 3 No fiscal impact anticipated

ANALYSIS: (Attach a separate page if necessary)  
 See Attached

Prepared by: Neil C. Johannsen Phone: 762-2600  
 Division: Parks & Outdoor Recreation Date: 20-Apr-93  
 Approved by Commissioner: Glenn A. Olds Date: 20-Apr-93  
 Agency: Department of Natural Resources

# FISCAL NOTE

No. 32

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL Bill Version: 199399 (FIN)

(S) Publish Date: 4.26.93

Revision Date: \_\_\_\_\_  
 Title: Financial Administration of State  
Government  
 Sponsor: Senate Rules Committee by Request  
 Requestor: Senate Finance

Department Affected: Labor  
 BRU: Labor Standards & Safety  
 Component: Mechanical Inspection

COMPONENT SERIAL NO. 346 Sec 47

**EXPENDITURES/REVENUES:**

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	24.3	24.3	24.3	24.3	24.3	24.3
TRAVEL						
CONTRACTUAL						
SUPPLIES	2.5	2.5	2.5	2.5	2.5	2.5
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>

<b>CAPITAL</b>						
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<b>REVENUE</b>	26.8 *	26.8 *	26.8 *	26.8 *	26.8 *	26.8 *
<b>FUND SOURCE:</b>	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005

**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt	26.8	26.8	26.8	26.8	26.8	26.8
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>

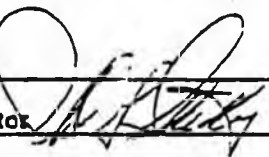
**POSITIONS:**

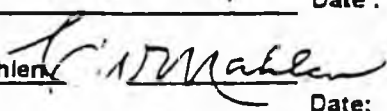
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

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

See attached

Prepared by: Donald G. Study, CSP, Director  Phone: 465-6003  
 Division: Labor Standards & Safety Date: 4/20/93

Approved by Commissioner: Charles W. Mahlen  Date: 4/20/93  
 Agency: Department of Labor

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Fiscal Note Analysis for:

Financial Administration of State Government

The Department of Labor is affected by four sections of this bill. Separate fiscal notes have been prepared for each section. Sections 45 through 47 of this bill concern fees and certification time periods for departmental programs. Section 49 would increase an existing fee set by statute and change to a biennial licensing requirement.

In anticipation of new fees and fee increases, a fund source change from general funds to program receipts was included in the department's FY 94 budget submittal. Because the \$93.5 in fee income is reflected in the department's operating budget, it is excluded from this fiscal note.

The net fiscal impact of the sections of this bill (and associated regulations) relevant to this department is the general fund gains \$94.6, and the department gains \$26.8 expenditure authorization to cover the costs of services provided.

Section 47:

This section would establish fees for an application/examination and for duplicate certificates of fitness for electricians and plumbers. Section 47 would also increase fees for certificates of fitness and for renewals of certificates.

No application/examination fee is currently charged; a \$50 application/examination fee would generate approximately \$23.8 annually in program receipts. This fee reflects the cost of providing these services.

No fee is currently charged for duplicate certificates; a \$25 fee for duplicate certificates of fitness would generate approximately \$3.0 annually in program receipts. The \$25 fee reflects the cost of providing the duplicate certificate.

Currently, \$40 is charged for a one year certificate and \$75 is charged for a three year certificate. A \$160, two-year certificate of fitness fee--with an \$80, one-year certificate of fitness issued for a three year period until the current three-year certificates are phased out--is proposed. These fee changes are expected to generate \$93.5 annually. The revenue associated with this change is included in the department's operating budget submittal as program receipts. Two points are relevant: 1) the general fund gains \$93.5 and 2) the fiscal note does not reflect the receipt of the revenue because it is in the operating budget.

For purposes of calculating fiscal impact, an effective date of July 1, 1993 is assumed.

# FISCAL NOTE

No. 33

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL Bill Version: (1993 94 / F.A.)  
(S) Publish Date: 4-26-93

Revision Date: \_\_\_\_\_  
Title: Financial Administration of State  
Government  
Sponsor: Senate Rules Committee by Request  
Requestor: Senate Finance

Department Affected: Labor  
BRU: Labor Standards & Safety  
Component: Wage & Hour

COMPONENT SERIAL NO. 345

**EXPENDITURES/REVENUES:**

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<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>

<b>CAPITAL</b>						
----------------	--	--	--	--	--	--

<b>REVENUE</b>	<b>0.7</b>	<b>(0.1)</b>	<b>0.7</b>	<b>(0.1)</b>	<b>0.7</b>	<b>(0.1)</b>
<b>FUND SOURCE:</b>	<b>PR #1005</b>	<b>PR #1005</b>	<b>PR #1005</b>	<b>PR #1005</b>	<b>PR #1005</b>	<b>PR #1005</b>

**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
<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>

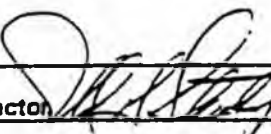
**POSITIONS:**

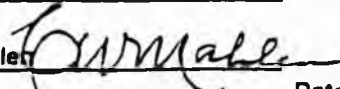
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

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

See attached

Prepared by: Donald G. Study, CSP, Director  Phone: 465-6003  
Division: Labor Standards & Safety Date: 4/20/93

Approved by Commissioner: Charles W. Mahler   
Agency: Department of Labor Date: 4/20/93

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Fiscal Note Analysis for:

Financial Administration of State Government

The Department of Labor is affected by four sections of this bill. Separate fiscal notes have been prepared for each section. Sections 45 through 47 of this bill concern fees and certification time periods for departmental programs. Section 49 would increase an existing fee set by statute and change to a biennial licensing requirement.

In anticipation of new fees and fee increases, a fund source change from general funds to program receipts was included in the department's FY 94 budget submittal. Because the \$93.5 in fee income is reflected in the department's operating budget, it is excluded from this fiscal note.

The net fiscal impact of the sections of this bill (and associated regulations) relevant to this department is the general fund gains \$94.6, and the department gains \$26.8 expenditure authorization to cover the costs of services provided.

Section 49:

Section 49 of this bill raises the fee for an employment agency license from \$10 to \$100 and establishes the license as a biennial license. This fee has not been increased since 1953. This increase reflects the costs of review performed by the department for these operating permits.

The eight licensed employment agencies operating in the state will pay a total of an additional \$0.7 biennially for licensing. The department will continue to absorb the cost of reviewing and issuing these permits and the \$0.7 additional revenue collected will be deposited into the general fund.

For purposes of calculating fiscal impact, an effective date of July 1, 1993 is assumed.

# FISCAL NOTE

No. 36

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL

Bill Version: 124B 99 (F.U.)

(S) Publish Date: 4-26-93

Revision Date: \_\_\_\_\_  
 Title: Financial Administration of State  
Government  
 Sponsor: Senate Rules Committee by Request  
 Requestor: Senate Finance

Department Affected: Labor  
 BRU: Labor Standards & Safety  
 Component: Mechanical Inspection

*Sec 45*

COMPONENT SERIAL NO. 346

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

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE	0.4	0.4	0.4	0.4	0.4	0.4
FUND SOURCE:	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005

**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

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

See attached

Prepared by: Donald G. Study, CSP, Director *[Signature]* Phone: 465-6003  
 Division: Labor Standards & Safety Date: 4/20/93

Approved by Commissioner: Charles W. Mahler *[Signature]*  
 Agency: Department of Labor Date: 4/20/93

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Fiscal Note Analysis for:

Financial Administration of State Government

The Department of Labor is affected by four sections of this bill. Separate fiscal notes have been prepared for each section. Sections 45 through 47 of this bill concern fees and certification time periods for departmental programs. Section 49 would increase an existing fee set by statute and change to a biennial licensing requirement.

In anticipation of new fees and fee increases, a fund source change from general funds to program receipts was included in the department's FY 94 budget submittal. Because the \$93.5 in fee income is reflected in the department's operating budget, it is excluded from this fiscal note.

The net fiscal impact of the sections of this bill (and associated regulations) relevant to this department is the general fund gains \$94.6, and the department gains \$26.8 expenditure authorization to cover the costs of services provided.

Section 45:

This section would allow the department to adopt regulations establishing fees for administering special inspector examinations and processing applications for special boiler and pressure vessel inspector commissions. The department currently performs these functions without charge.

Regulations establishing a \$25 application and examination fee are anticipated. This would generate approximately \$0.4 annually in receipts to the general fund.

For purposes of calculating fiscal impact, an effective date of July 1, 1993 is assumed.

# FISCAL NOTE

No. 37

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BIL Bill Version: C-35R 49 (FIN)  
(S) Publish Date: 4-26-93

Revision Date: \_\_\_\_\_  
Title: Financial Administration of State  
Government  
Sponsor: Senate Rules Committee by Request  
Requestor: Senate Finance

Department Affected: Labor  
BRU: Labor Standards & Safety  
Component: Mechanical Inspection  
Sec 46  
COMPONENT SERIAL NO. 346

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

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<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						
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REVENUE FUND SOURCE:	0.0 PR #1005	0.0 PR #1005	0.0 PR #1005	0.0 PR #1005	0.0 PR #1005	0.0 PR #1005

**FUNDING:** (Thousands of Dollars)

FUNDING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
<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:**

POSITION TYPE	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

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

See attached

Prepared by: Donald G. Study, CSP, Director Phone: 465-6003  
Division: Labor Standards & Safety Date: 4/20/93

Approved by Commissioner: Charles W. Mahler   
Agency: Department of Labor Date: 4/20/93

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Fiscal Note Analysis for:

Financial Administration of State Government

The Department of Labor is affected by four sections of this bill. Separate fiscal notes have been prepared for each section. Sections 45 through 47 of this bill concern fees and certification time periods for departmental programs. Section 49 would increase an existing fee set by statute and change to a biennial licensing requirement.

In anticipation of new fees and fee increases, a fund source change from general funds to program receipts was included in the department's FY 94 budget submittal. Because the \$93.5 in fee income is reflected in the department's operating budget, it is excluded from this fiscal note.

The net fiscal impact of the sections of this bill (and associated regulations) relevant to this department is the general fund gains \$94.6, and the department gains \$26.8 expenditure authorization to cover the costs of services provided.

Section 46:

Section 46 would change time periods for certificates of fitness for plumbers and electricians from a one- or three-year certificate to two-year certificates. The department would have the authority to phase in the two-year certificates over an expected three year period.

This bill would have no fiscal impact other than stabilizing revenues to the department.

For purposes of calculating fiscal impact, an effective date of July 1, 1993 is assumed.

# FISCAL NOTE

No. 28

Bill Version: 1993 99 (F.11)

(S) Publish Date: 4-26-93

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

Revision Date: _____	Dept. Affected: <u>Alaska Commission on Postsecondary Education</u>
Title: <u>Omnibus Bill, Sec. 39-43</u>	BRU: <u>Student Loans</u>
Sponsor: <u>Rules Committee</u>	Component: <u>Student Loan Operations</u>
Requestor: <u>Governor</u>	COMPONENT SERIAL NO. <u>213</u>

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>						

CAPITAL						
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REVENUE FUND SOURCE: <u>1022</u>	13.0	13.0	13.0	13.0	13.0	13.0
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**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact \$ \_\_\_\_\_

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

Prepared by: Doug Hanon, Finance Officer  
 Division: Alaska Commission on Postsecondary Education

Phone: 465-2962, Ext. 143  
 Date: 3/11/93

Approved by Commissioner: \_\_\_\_\_  
 Agency: \_\_\_\_\_

Date: \_\_\_\_\_

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# FISCAL NOTE

No. 39

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

Bill Version: CS43 99 (FIN)

(S) Publish Date: 4-26-93

Alaska Commission on  
Postsecondary Education

Revision Date: \_\_\_\_\_  
Title: Omnibus Bill, Sec. 36-38

Dept. Affected: \_\_\_\_\_  
BRU: \_\_\_\_\_  
Component: Student Loans

Sponsor: Rules Committee  
Requestor: Governor

COMPONENT SERIAL NO. 212/213

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>						

CAPITAL						
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REVENUE FUND SOURCE: 1022	500.0	500.0	500.0	500.0	500.0	500.0
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Doug Hanon, Finance Officer  
Division: Alaska Commission on Postsecondary Education

Phone: 465-2962, Ext. 143  
Date: 3/11/93

Approved by Commissioner: \_\_\_\_\_  
Agency: \_\_\_\_\_

Date: \_\_\_\_\_

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FISCAL NOTE

No. 45

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

Bill Version: 244344 (Final)

(S) Publish Date: 4-21-93

Revision Date: \_\_\_\_\_

Department Affected: Administration

Title: 'An Act relating to the  
improvement of state finances...'

BRU: Risk Management

Sponsor: (S) Rules

Component: Risk Management

Requestor: (S) JUD

COMPONENT SERIAL NO. 71

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE: GF/PRG 1005	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

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

Estimate of current year (FY93) impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Don Hitchcock, Director  
Division: Risk Management

Phone: (907) 465-2180  
Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usera  
Agency: Administration

Date: 4/20/93

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FISCAL NOTE

No. 41

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

Bill Version: 1993 SB 09 (FIN)

(S) Publish Date: 4-26-93

Revision Date: \_\_\_\_\_

Department Affected: Administration

Title: An Act relating to improvement of state

BRU: Finance

finances through reduction of operating

Component: Finance

Sponsor: (S) Rules

Requestor: (S) JUD

COMPONENT SERIAL NO. 50

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

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

Estimate of current year (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Don Wanie, Director  
Division: Finance

Phone: 465-2240  
Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usura  
Agency: Administration

Date: 4/20/93

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FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

No. 35  
Bill Version: (S) 99 (Fin)  
(S) Publish Date: 4-26-93

Revision Date: \_\_\_\_\_  
Title: An Act relating to improvement of State finances through reduction of operating costs  
Sponsor: (S) Public  
Requestor: (S) JUD

Department Affected: Administration  
BRU Office of Public Advocacy  
Component: Office of Public Advocacy  
COMPONENT SERIAL NO. 43

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

Estimate of current year (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Brant McGee, Public Advocate  
Division: Office of Public Advocacy

Phone: 274-1684  
Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usery  
Agency: Administration

Date: 4/20/93

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FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. CSSB 99 (JUD)

ANALYSIS: (continued)

Sec. 33-35. 69: This bill proposes an amendment to the Public Guardian statute that would allow the Commissioner of Administration to establish regulations under which the Office of Public Advocacy could collect fees from the wards and conservatees it serves. No revenue is projected for FY 94 due to the time required to develop and implement regulations. FY 95 - 99 projections are very difficult to do until the fee structure is developed.

# FISCAL NOTE

No. 493

**STATE OF ALASKA**  
**1993 LEGISLATIVE SESSION**

Bill Version: CSB 49 (F.A.)

(S) Publish Date: 4-26-93

Revision Date: \_\_\_\_\_  
 Title: An Act relating to the improvement of state  
finances.  
 Sponsor: (S) Rules  
 Requester: (S) Judiciary

Dept Affected: Administration  
 BRU: Retirement & Benefits  
 Components: Retirement & Benefits  
 COMPONENT SERIAL NO. 64

**Expenditures/Revenues:** (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
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>

<b>CAPITAL</b>	0.0	0.0	0.0	0.0	0.0	0.0
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<b>REVENUE FUND SOURCE:</b>	0.0	0.0	0.0	0.0	0.0	0.0
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**Funding:** (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	***	***	***	***	***	***
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other:	***	***	***	***	***	***
<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>

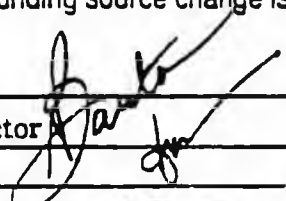
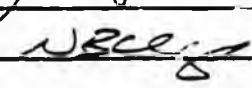
**Positions:**

Full-Time	0.0	0.0	0.0	0.0	0.0	0.0
Part-Time	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY93) impact: none

**ANALYSIS:** (attach a separate page if necessary)

\*\*\* This bill changes approximately 683.0 the BRU receives for administering certain group insurance programs from program receipts to other state funds. The funding source change is reflected in the Governor's FY94 Budget Request.

Prepared By: Robert F. Stalnaker, Director  Phone: 465-4470  
 Division: Retirement and Benefits Date: 4/20/93  
 Approved By Commissioner: Nancy Bear Usela  Date: 4/20/93  
 Agency: Administration

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

WALTER J. HICKEL, GOVERNOR

PLEASE REPLY TO:

1031 WEST 4TH AVENUE, SUITE 200  
ANCHORAGE, ALASKA 99501-1994  
PHONE: (907) 269-5100  
FAX: (907) 276-3697

KEY BANK BUILDING  
100 CUSHMAN ST., SUITE 400  
FAIRBANKS, ALASKA 99701-4679  
PHONE: (907) 451-2811  
FAX: (907) 451-2846

P.O. BOX 110300 - STATE CAPITOL  
JUNEAU, ALASKA 99811-0300  
PHONE: (907) 465-3600  
FAX: (907) 463-5295

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

May 7, 1993

Hon. Eileen MacLean  
Co-Chair, House Finance Committee  
Alaska State Legislature  
State Capitol, Room 507  
Juneau, Alaska 99801

Re: CSSB 99 (Fin) am (efd fld) and  
the single-subject rule

Dear Representative MacLean:

You have asked whether in our opinion there are constitutional problems under article II, section 13 of the Alaska Constitution (providing in part that every bill shall be confined to one subject) with CSSB 99 (Fin) am (efd fld). That bill is an omnibus bill designed to improve the finances of state government by increasing revenues through increased fees for state services and saving operating expenses by changing certain government operations. We believe that, if this bill is enacted into law and challenged as violative of article II, section 13, the Alaska courts would find no violation. However, we acknowledge that we cannot say to an absolute certainty that the Alaska courts would find no single-subject violation.

In a May 4, 1993 memorandum to Representative Bill Hudson, David Dierdorff, the revisor of statutes, has stated that in his opinion CSSB 99 (Fin) am (efd fld) would likely violate the single-subject prohibition. Mr. Dierdorff, in another memorandum to Representative Hudson earlier this year (January 28) on SB 99 and its House counterpart (HB 65), has acknowledged that the Alaska Supreme Court's decisions on the single-subject rule to date have been very deferential to the legislature.<sup>1</sup>

<sup>1</sup> He cites Gellert v. State, 522 P.2d 1120, 1123 (Alaska 1974), and Short v. State, 600 P.2d 20, 24 (Alaska 1979). Gellert, quoting from an old Minnesota case, states:

[a]ll that is necessary is that [the] act should embrace some one general subject; and by this is

His concerns arise from the last two single-subject decisions, State v. First Nat'l Bank of Anchorage, 660 P.2d 406 (Alaska 1982), and Yute Air Alaska, Inc. v. McAlpine, 698 P.2d 1173 (Alaska 1985), where the court expressed some reservations about its earlier single-subject rulings.<sup>2</sup> It is because of these recent decisions that we cannot say with certainty that CSSB 99 (Fin) am (efd fld) would pass constitutional muster, if enacted and challenged. However, we believe that the common thread of the bill - the enhancement of state finances through increased or new fees on the one hand, and through savings by streamlining government operations on the other - would cause the courts to uphold it even under a less deferential single-subject test. The contents of the bill are not so disparate as to suggest the sort of "logrolling" that article II, section 13 is intended to prevent.<sup>3</sup>

---

meant, merely, that all matters treated of should fall under some one general idea, be so connected with or related to each other, either logically or in popular understanding, as to be parts of, or germane to, one general subject.

Short states that the single-subject test "requires no more than that the various provisions of [a] single legislative enactment fairly relate to the same subject, or have a natural connection therewith."

<sup>2</sup> Yute Air Alaska involved a law enacted through the initiative process. Some of the justifications given by the court for upholding the law against a single-subject challenge were based on its method of enactment, and hence would not be applicable to CSSB 99 (Fin) am (efd fld). However, the Yute Air Alaska court observed that "it is not at all clear that there are workable stricter standards" for assessing single-subject challenges. That observation would be pertinent to a challenge of CSSB 99 (Fin) am (efd fld).

<sup>3</sup> Moreover, as Mr. Dierdorff observed in his earlier memorandum to Representative Hudson, in other jurisdictions only clear violations of the single-subject rule have led to invalidation of legislation. He cites to State ex rel. Hinkle v. Franklin County Bd. of Elections, 580 N.E.2d 767 (Ohio 1991), where the Ohio Supreme Court invalidated a bill that dealt with both the local option for allowing the sale of alcohol and elected judicial offices. Such a bill would appear to be a classic example of logrolling.

Hon. Eileen MacLean, Co-Chair  
House Finance Committee

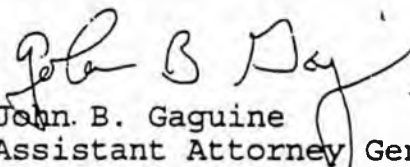
May 7, 1993  
Page 3

I hope that this letter has been of assistance to you.  
If you have any further questions, please contact me or Deborah  
Behr at 465-3600.

Very truly yours,

CHARLES E. COLE  
ATTORNEY GENERAL

By:

  
John B. Gaguine  
Assistant Attorney General

cc: Kris Lethin  
Cheryl Frasca  
Deborah Behr

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

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

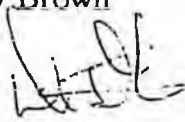
130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

**MEMORANDUM**

May 7, 1993

**SUBJECT:** Constitutional Problems in "Fee Bill" (CSSB 99(FIN) am(efd fld))

**TO:** Representative Kay Brown

**FROM:** David R. Dierdorff   
Revisor of Statutes

Dan Austin of your staff has asked for a review of potential legal issues related to the governor's "state finance improvement" bill, SB 99, as it passed the Senate.

**REVIEW OF THE LAW INVOLVED**

To understand my review, it is helpful to set out the state of the law with respect to the title of bills and the single-subject rule. The law in Alaska flows from article II, section 13, of the state constitution, which provides, in part:

Every bill shall be confined to one subject \* \* \*. The subject of each bill shall be expressed in the title. \* \* \*

With respect to the single-subject rule, the courts have given the requirement a liberal interpretation, adopting, in Gellert v. State, 522 P.2d 1120 (Alaska 1974), the position stated by the Minnesota Supreme Court in 1891:

All that is necessary is that [the] act should embrace some one general subject; and by this is meant, merely, that all matters treated of should fall under some one general idea, be so connected with or related to each other, either logically or in popular understanding, as to be parts of, or germane to, one general subject.

Id., at 1123, quoting Johnson v. Harrison, 50 N.W. 923, 924 (Minn. 1891). Five years after Gellert, the court stated that the test

. . . requires no more than that the various provisions of [a] single legislative enactment fairly relate to the same subject, or have a natural connection therewith.

Short v. State, 600 P.2d 20, 24 (Alaska 1979).

In construing the single-subject rule, the court will "disregard mere verbal inaccuracies" and "resolve doubts in favor of validity"; "in order to warrant the setting aside of enactments for failure to comply, the violation must be substantial and plain." Suber v. Alaska State Bond Committee, 414 P.2d 546, 557 (Alaska 1966). The rule should be "construed with considerable breadth. Otherwise statutes might be restricted unduly in scope and permissible subject matter, thereby multiplying and complicating the number of necessary enactment(s) and their interrelationships." Gellert, at 1122.

Using this broad construction of the rule, the court has approved such single-subjects as "water resources" in Gellert; "state taxation" in North Slope Borough v. Sohio Petroleum Corp., 585 P.2d 534 (Alaska 1978); "land" in State v. First Nat'l. Bank of Anchorage, 660 P.2d 406 (Alaska 1982); and "transportation" in Yute Air Alaska, Inc. v. McAlpine, 698 P.2d 1173 (Alaska 1985). The Alaska Court of Appeals has approved the single-subjects "liquor regulation" in Van Brunt v. State, 646 P.2d 872 (Ak. App. 1982); and "criminal law" in Galbraith v. State, 693 P.2d 880 (Ak. App. 1985). In fact, the Alaska Supreme Court and the Alaska Court of Appeals have never found that an Alaska statute violated the single-subject rule. This is consistent with the record of other states that have substantially the same rule. Only clear violations of the single subject requirement have been found unconstitutional. (State ex rel Hinkle v. Franklin County Board of Elections, 580 N.E.2d 767 (Ohio 1991) finding a violation of the single subject requirement where a bill on a local option for allowing the sale of alcoholic beverages was added to a bill concerning elected judicial offices)

In recent years, however, the Alaska Supreme Court has begun to reevaluate its broad interpretation of the single-subject rule. In First Nat'l. Bank of Anchorage, the court expressed reservations about prior cases, but was unwilling in that case to overturn past precedents. In Yute Air Alaska, Inc., the court again expressed concern with the broad interpretation of the rule, but gave three reasons why it was not ready to reject its past approach: (1) "it is not at all clear that there are workable stricter standards"; (2) the legislation in that case was the result of a voter initiative and the sponsors of the initiative had relied on the court's precedents in preparing it; and (3) because the sponsors were not experts at drafting the court was reluctant to invalidate a worthy or popular cause merely because of doubtful legality.

In his dissent in Yute Air Alaska, Inc., Justice Moore blasted the majority's "test" as meaningless. "This court has mistakenly continued to give the rule such an extremely liberal interpretation that the rule has become a farce," he said. Id. at 1182. Moore suggested a new test: "An act or initiative should embrace one subject. By this we mean that all matters treated should be logically connected." This, he said, means that various provisions of legislation will pass muster if they are inextricably

Representative Kay Brown  
May 7, 1993  
Page 3

intertwined, if they have an effect on one another, or if they are reasonably interdependent. Moore urged that "[e]nactments should be presented clearly and candidly," and that the court should "use a plainer standard and be more willing to look closely at the logic of an asserted connection and the reasonable interdependence of separate provisions. . . . to discourage logrolling and . . . duplicity." Id. at 1186.

### THE PROBLEM AT HAND

In my initial review of SB 99, and its House companion, HB 65, I pointed out various single-subject and descriptive title problems to the initial committees of referral. In the House, the Labor & Commerce Committee responded to my concerns by dividing HB 65 into three bills: CSHB 65(L&C), dealing with licenses, fees, and financial administration of state government; HB 178, dealing with Medicaid; and HB 179, dealing with motor vehicles. In addition, the title of HB 65 was redrafted to more accurately reflect the contents of the bill. In the Senate, SB 99 remained intact, although the title was redrafted to make it more accurate. Consequently, my original single-subject concerns with respect to provisions now found in secs. 53 - 62 (motor vehicles) and 70 and 71 (Medicaid) remain in CSSB 99(FIN) am(efd fld).

In my opinion, the problems were exacerbated when the Senate amended the bill to include provisions related to (1) moving expenses for legislators (sec. 52), (2) extension of state leases (sec. 75, which duplicate provisions in SB 129, which has passed both houses and is starting towards the governor's desk), and (3) procedures of the APUC, sec. 69, that arguably violate the single-subject rule. Additionally, I am concerned that the breadth of the effect of sec. 66, relating to proration of state payments, is such that that provision raises additional single-subject problems.

It is my opinion that the court would invalidate SB 99 as it now stands, because there are so many subjects that it is impossible to identify any single subject as a common thread, except perhaps "amending laws that affect state government programs and services" a subject that I am confident the court would find too broad to hold the bill together. It is important to note that the most likely outcome of litigation is that the entire bill would be held invalid because there is no objective, rational way for the court to know which portions to sever.

Additionally, the Senate amended the title to include topics that are in HB 65, but not in SB 99, ostensibly to allow the House to merge HB 65's provisions into it. The upshot of this is that the title of CSSB 99(FIN) am(efd fld) describes subjects not actually in the bill. While the question as to the effect of an overly broad title is open, it is our opinion that a court might hold a bill with an overly broad title to violate the constitution -- it does not describe the contents of the bill and the result, fraud on the citizenry if the overinclusion is misleading, is the same as when the title fails to mention an included subject.

Representative Kay Brown

May 7, 1993

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The items added to CSHB 65(L&C) before it was passed by the House (health insurance for state employees and the continuation of the suspension of political contribution tax credits) arguably violate the single-subject rule (although they are perhaps supportable as being related to state financial administration), so if the House did in fact add those provisions to SB 99, as invited to do so by the Senate, the risk of a court invalidating the bill is increased. Perhaps more significantly, the risk that the bill will be challenged increases with every addition to it, because more and more activities and people are affected. Keeping in mind that a public interest litigant has nothing to lose in bringing an action, I would advise the House to proceed with caution before either endorsing SB 99 or amending it further. The bill presents a classic example of log-rolling to the court and almost invites a successful challenge.

You will also notice that the Senate failed the effective dates. Consequently, if it became law in its present form, the effect of SB 99 on administrative practice would be confusing at best. The bill had provided for the phasing into effect of its various components to allow for administrative efficiencies. It is likely that without the effective dates, the efficiencies would become inefficiencies.

If I can be of further assistance, please advise.

DRD:gc  
93-398.glc

**SENATE FINANCE COMMITTEE**

**LETTER OF INTENT**

**FOR**

**CSSB 99 (FINANCE)**

IT IS THE INTENT OF THE LEGISLATURE THAT THE DIVISION OF PARKS INCREASE THE VARIOUS USER FEES WITHIN ITS RANGE OF PUBLIC FACILITIES AND SERVICES TO A LEVEL AS CLOSELY AS POSSIBLE REFLECTING BUT NOT EXCEEDING THE NATIONAL AVERAGE FOR SIMILAR FACILITIES AND SERVICES.

Adopted by Senate: 5/2/93



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

99

February 5, 1993

The Honorable Rick Halford  
President of the Senate  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

Dear President Halford:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the improvement of state finances by reducing costs in the operations of certain state agencies and authorizing state agencies to defray a greater portion of their costs through the imposition of fees. A section-by-section description of this bill follows.

Sections 1 - 32 of the bill authorize biennial renewal of liquor licenses by the Alcoholic Beverage Control Board. Under this bill, all liquor licenses that are now issued for a one-year period would be issued for a two-year period. As a result of the transitional procedures in sec. 71 of the bill, each year only one-half of the licenses would be subject to renewal. The board's staff now labors under a staggering amount of renewal-related work. The effect of the bill would be to spread that workload.

Sections 33 - 35, 49, 64, and 70 (repealer of AS 13.26.410(b)) relate to the duties of the Office of Public Advocacy. The bill proposes to delete certain functions of the Office of Public Advocacy (OPA) that are considered to be duplicative of services provided by other agencies or that are not constitutionally mandated. Due to the increase in child-in-need-of-aid cases, it is crucial that the many abused and neglected children receive priority in OPA appointments.

Sections 33 - 35 of the bill would allow the Department of Administration to determine a schedule of reasonable fees for the costs of providing public guardians. The Office of Public Advocacy would be allowed to assess these fees against the estate or income of a ward or protected person for whom a guardian has been appointed, based on the financial ability on the ward or protected person to pay these costs. Currently, no fees may be assessed against any person receiving the benefit of a public guardian except upon approval by a court. This process is cumbersome and expensive for the Office of Public Advocacy, which must pay for the costs of a court hearing, including the costs of

GOVERNOR'S SECTIONAL

counsel for both sides. These changes would simplify the procedure for recouping some of these costs, and would provide for consistent application of the fee schedule, while allowing an exemption forwards or protected persons who are not financially able to pay the fees.

Section 49 of the bill would amend AS 25.24.310 to delete the requirement that OPA provide guardian ad litem representation in certain child custody proceedings. Currently, the Alaska court system has personnel denoted as "custody investigators" who perform essentially the same function as OPA in custody proceedings.

Section 64 of the bill would amend AS 44.21.410(a), regarding the powers and duties of OPA, to correspond to the amendments made by secs. 33 - 35 of the bill. Additionally, this section would eliminate the requirement that OPA provide free attorney representation to parents whose children are involved in the disposition phase of delinquency proceedings, and the requirement of free representation in cases involving adoption of a minor, a petition to remove the disabilities of a minor, or a commitment proceeding involving a minor.

Section 69 of the bill would delete the requirement that OPA represent minors in commitment proceedings, to correspond to one of the amendments to AS 44.21.410(a)(4) made by sec. 64 of the bill.

Section 70 would repeal AS 13.26.410(b), for consistency with the amendments proposed by secs. 33 - 35.

After the effective date of the sections relating to OPA in this bill, OPA would not accept new appointments for the types of cases deleted from OPA's mandate by the bill. However, OPA would continue to represent those parties in cases to which OPA was appointed before the bill's effective date.

Sections 36 - 38 would authorize the Alaska Commission on Postsecondary Education to assess a one percent guarantee fee on student loan awards made under the Scholarship Loan Program, effective July 1, 1994. These fees would be deposited into a loan guarantee fee account within the student loan fund and would be used to offset losses incurred due to student loan debt cancellation necessitated by death, disability, or bankruptcy of the student. The current statute does not allow security to be required for a loan and strictly limits the use of loan proceeds. These amendments also would provide that the loan guarantee fee be added to the loan award so that students would receive the full amount of money requested, up to the maximums set out in AS 14.43.110 and 14.43.115, to pay for their educations.

Sections 39 - 43 would authorize the same one percent loan guarantee fee to be assessed on loans under the Memorial Scholarship Loan Program, the Teacher Scholarship Loan Program, and the Family Education Loan Program. As a result, all of the student loan programs would assess a one percent loan guarantee fee on the amount of the loan awarded.

Section 44 would establish in the Department of Labor the authority to set reasonable fees by regulation for administering special inspector examinations

and processing applications for special boiler and pressure vessel inspector commissions. Currently the department does not charge a fee for processing these applications for administering the examinations.

Section 45 would eliminate the requirement in AS 18.62.020 that certificates of fitness for plumbers and electricians be valid for either a one-year or a three-year period. Under the bill, the Department of Labor would have the authority to set a time period in regulation for the certificates. This should increase the department's efficiency in processing applications for these certificates and stabilize program receipts.

Section 46 would eliminate the current statute's prescribed certificate of fitness fees for plumbers and electricians, and instead would establish authority in the Department of Labor to set reasonable fees by regulation. See AS 18.62.030. This section would also allow the department to charge a fee for duplicate certificates. These changes would enable the department to set fees for certificates of fitness in line with the actual costs incurred in issuing them, and would authorize the department to recoup expenses incurred in issuing 100 - 150 duplicate certificates each year.

Section 47 is a revenue-generating measure that would permit the Alaska Police Standards Council to adopt regulations to collect reasonable fees for processing applications for state certification of police and correctional officers and instructors who are employed by non-state agencies.

Section 48 would raise the required fee for filing an application for an employment agency permit under AS 23.15.390 from \$10 to \$100. This higher amount reflects the costs of the review done by the Department of Labor for these permits.

Sections 50 - 57 would amend AS 28 (motor vehicles) to enhance revenue through increased motor vehicle fees or to correct technical problems in the motor vehicle laws to increase the efficiency of the Department of Public Safety.

Section 50 would delete the phrase "vehicle register" in AS 28.10.071(a), which no longer is meaningful in light of current computer technology. In addition, this section would clarify the authority of the department to adopt regulations to recover the state's costs in generating computerized vehicle registration lists.

Section 51 would amend AS 28.10.181(c) to permit the issuance of special request license plates depicting Alaska wildlife and other images of life in Alaska. This change would produce revenue through the issuance of these special request plates.

Section 52 changes the eligibility for free vehicle registration and license plates for disabled persons by adopting the definition of limited or impaired ability to walk that appears in a federal regulation (23 C.F.R. 1235.2). The special license plate allows the holder to have special consideration for designated parking for the disabled. The existing statute (AS 28.10.181(d)) allows a person with at least a 70 percent disability or medical handicap to obtain vehicle registration at no charge, and, through the free special license plates, to use the designated parking even though the person may not have a disability that affects walking.

The new definition would provide for free vehicle registration and license plates to those most in need of special parking. The department should receive additional revenue from vehicle registration fees and the sale of regular license plates to those who no longer qualify under AS 28.10.181(d).

Section 53 clarifies an ambiguity in AS 28.10.181(j) by explicitly requiring that car dealers use two dealer plates on each vehicle permitted to have dealer plates (all license plates are issued in pairs). The somewhat confusing language of the existing statute has allowed some dealers to split a pair of plates between two vehicles. The Department of Public Safety should receive increased revenue through the sale of additional plates to dealers.

Sections 54 and 58, and the repeal of AS 28.10.011(12) in sec. 70, together make clear that mobile homes are not considered "vehicles" for purposes of administering motor vehicle laws. Under the changes made by these sections, the Department of Public Safety, division of motor vehicles, will no longer provide registration and motor vehicle titles for mobile homes.

Section 55 would clarify that senior citizens are entitled to free vehicle registration of only one vehicle once each calendar year. This change is needed in order to avoid significant difficulties and administrative costs encountered in maintaining proper registration when senior citizens buy, sell, or trade vehicles during the year and claim free registration on more than one vehicle during the year.

Section 56 provides an additional registration fee of \$10 for vehicle registration not done by mail. This section would provide an incentive for people to use the mail for vehicle registration. This should alleviate some of the delays that most people are encountering at division of motor vehicle field offices and allow DPS staff to function more efficiently. This section also allows the department to adopt regulations to waive the additional fee in appropriate circumstances.

Section 57 would clarify AS 28.10.421(c) by requiring that companies and businesses that register vehicles in their company or business name must pay commercial registration fees, and cannot avoid paying those fees by claiming that the vehicle is not used for commercial purposes.

Section 59 exempts money that the state receives for administering the group insurance programs established under AS 39.30.090 (primarily health insurance programs) from the definition of "program receipts" in AS 37.05.146. This change will result in accounting efficiencies being saved in the Department of Administration's ongoing operations and cost-savings to the state.

Sections 60 and 61 of the bill amend AS 37.05.289, the State Insurance Catastrophe Reserve Account (Account), by providing that payments to the state of insurance claim settlement money and money received by the state as recovery for losses, are to be deposited directly into the Account (which is in the general fund). Presently, such money that is received by the division of risk management must be credited to the general fund and is appropriated to the state agency to which the payment is related. The United States Department of Health

& Human Services' division of cost allocation has determined that certain insurance recovery money must be returned to the Account (from which federally funded state agencies have been charged premiums through division of risk management "Cost of Risk" allocations). The federal government demands that a portion of such insurance recoveries be refunded to the appropriate federal program.

By allowing for insurance settlement and claims recovery money to be deposited directly into the state insurance catastrophe reserve account, future premium assessments are expected to be reduced and the state will be in compliance with federal cost allocation standards. An appropriation would still be required before expenditure of money in that account. Additionally, the new procedures should reduce the considerable accounting required with the present system.

Section 62 would clarify the authority of the Department of Natural Resources to accept cash or other donations to support the system of state parks and recreational facilities.

Section 63 would expand the authority of the Department of Natural Resources to collect reasonable fees for services provided in state parks. It would add several new categories of park fees, including sale of firewood, sale of park-related merchandise, entrance fee into visitor centers and historic sites, sale of plans and graphic materials, day use fees, and fees for park-related programs. The bill, in sec. 71, also would set a temporary fee schedule for certain of these services, to be used until the Department of Natural Resources sets the fees by regulation. In the fourth year of a phased implementation schedule, these new fees are expected to raise around \$400,000.

Sections 65 and 66 of the bill would amend, and add a new subsection to, AS 44.46.025 to provide the Department of Environmental Conservation (DEC) with increased authority to charge fees to offset the direct costs of various programs designed to avoid and rectify pollution, to ensure healthy and safe public facilities, and to assist business in complying with local, state, and federal environmental standards. An existing statute presently limits DEC's authority to charge fees to certain enumerated subject areas, and further limits DEC's fee authority to specified services related to those subjects. Thus, DEC may charge a fee to reflect the costs associated with the issuance of a permit for a hazardous waste facility, but may not charge a fee when a permit is not issued (either because the application is withdrawn or a permit is determined not to be necessary), even though DEC incurs costs in reviewing the application. This results in the permitted facilities shouldering an inequitably large share of the cost of the hazardous waste management program.

Section 65 would rectify this problem in several ways. First, it would amend the introductory clause of AS 44.46.025(a), to allow DEC to charge fees for any services relating to the programs listed in (a), not just the underinclusive listing of activities now set out in the law. This amendment recognizes that DEC employs methods other than permits and inspections in its activities.

Second, through sec. 65, the itemized list of programs in the subsection would be modified and expanded, to allow the DEC to charge fees reflecting the direct costs

of: (1) management of hazardous waste, not just permitting costs; (2) approvals of sites for hazardous waste management facilities; (3) control of solid waste facilities, and permits for those facilities, including wetlands permits (assuming state assumption of the wetlands permitting process that is currently handled by the United States Army Corps of Engineers); (4) reviews of sewage and industrial waste disposal or treatment plans; (5) oversight of the application of pesticides and broadcast chemicals; (6) inspection, testing, or other regulation of a wider variety of service facilities; (7) certification of private laboratories that will conduct a variety of environmental analyses for profit; (8) state testing for and issuance of certificates of inspection for motor vehicles; (9) certification of federal permits or authorizations under the federal Clean Water Act; and (10) filing of information with the Alaska State Emergency Response Commission.

Section 66 would revise the existing fee language relating to the air quality permit program, removing it from AS 44.46.025(a) and placing it in a new subsec. (c) of AS 44.46.025. This new subsection authorizes DEC to set fees for program services to cover indirect costs of the program, as well as direct costs. This change is incorporated in the bill because air quality permit program fees must reflect both indirect and direct costs to meet requirements of the federal Clean Air Act.

Section 67 would amend AS 47.07.020(b) to add a new category of persons to the state's optional list of those eligible for federal Medicaid coverage. Through the amendment, the state could claim federal matching money for medical costs now paid entirely from state money. Children under age 21 who are eligible for adoption assistance under AS 25.23.190 - 25.23.220 because of special medical or rehabilitative needs would be added to the optional Medicaid-eligible list under this provision.

Section 68 would amend AS 47.07.035, which lists the order of priority in which groups eligible under the optional Medicaid program will be eliminated from Medicaid coverage when there are insufficient appropriations to cover all optional services and groups. This bill would add, as para. (28) in this list, persons under age 21 who are eligible for adoption assistance due to special medical or rehabilitative needs. Placement of this group as number 28 would mean that this group would be the last to be eliminated for Medicaid coverage in the event of a shortfall of appropriations.

Section 70 repeals certain provisions of Alaska law. AS 13.26.410(b) would be repealed to make a necessary conforming amendment to facilitate the collection of fees by OPA as set out in secs. 33 - 35 of this bill. AS 28.10.011(12) is repealed to remove a reference to mobile homes from AS 28, as described earlier in this letter. AS 28.10.181(k) is repealed to allow the Department of Public Safety (DPS) to no longer register vehicles that are only occasionally used on a highway. This repeal should reduce the workload for DPS, as well. AS 28.22.011(a)(3) is repealed to make a technical amendment to mandatory motor vehicle insurance to conform to the repeal of AS 28.10.181(k), relating to occasional used vehicles. Finally, AS 37.05.210(1) is repealed to remove the statutory requirement for the Department of Administration to make monthly and annual reports on the financial condition and transactions of funds in the state

The Honorable Rick Halford  
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accounting system. The department currently prepares these reports by computer on a more frequent basis. The repeal would leave intact the Department of Administration's responsibility to file a year-end report on the financial condition of the state, including financial transactions from the preceding fiscal year.

Section 73 would give transitional authority to allow state agencies to begin the process to adopt regulations as soon as the bill is signed into law, so long as the new regulations do not become effective before the respective effective dates of the relevant sections of this bill. Section 74 of this bill would give this section an immediate effective date.

Section 74 also would provide an immediate effective date for the transitional sections related to temporary fees in state parks and staggered expiration of licenses issued by the Alcoholic Beverage Control Board.

Section 75 would provide a July 1, 1993 effective date for the majority of sections of the bill to coincide with the start of state fiscal year 1994.

Section 76 would provide an effective date of December 31, 1993 to allow a uniform date for the changing from annual to biennial licenses issued by the Alcoholic Beverage Control Board.

Section 77 would give secs. 36 - 43 of this bill an effective date of July 1, 1994 to allow the Alaska Commission on Postsecondary Education to institute the uniform fee assessment for the 1994 - 1995 academic year.

I urge your favorable consideration of this bill.

Sincerely,

A handwritten signature in cursive script, reading "Walter J. Hickel".

Walter J. Hickel  
Governor