

SB

215



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 12, 1996

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

Dear President Pearce:

I am offering this bill as part of my administration's goal to streamline state government. This legislation deletes requirements to perform several duties that are not essential for the public health, safety, or welfare and modifies some programs to increase efficiency.

This bill involves several state agencies and a wide variety of programs. The following is a brief description of the legislation. Departments will offer more complete analyses during the committee hearings.

Section 1 of the bill would add a new provision authorizing the commissioner of Fish and Game to directly award grants that serve some of that department's core missions--protecting, maintaining, improving, and extending public access to fish, game, and aquatic plant resources of Alaska. Currently, the department does not have authority to award grants and must channel money through other agencies. This causes delay and adds administrative cost.

Sections 2 - 4, and part of sec. 10 of the bill, would simplify the procedures regarding compensation for vendors who sell sport fishing and hunting licenses and tags on behalf of the state. Currently vendors keep some of the fees they collect as partial payment for their services and pass the balance on to the state. The state then reimburses the vendors for the rest of the compensation due to them. This proposal eliminates that last step by letting vendors calculate total payment due them up front and passing only the balance of the fees to the state.



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Sections 6 and 7 of the bill would allow the Department of Health and Social Services to award grants rather than contracts for its infant learning program which provides services for developmentally delayed or disabled children. The grant process should increase efficiencies within the department.

Section 8 of the bill repeals the Department of Environmental Conservation's requirement to regulate rabies reporting and animal constraint. This can be done with no threat to the public health and safety because of continued rabies control efforts by the Department of Health and Social Services coupled with local governments, which routinely exercise animal control powers. In the unorganized borough, the Indian Health Service and village public safety officers fill this local role.

Section 8 also repeals DEC's authority to administer flour and bread standards, which have not been substantially revised since 1949. The federal government sets standards for flour and bread, making state standards unnecessary. Moreover, DEC already has authority to establish certain standards for food.

Section 9 of the bill would repeal a number of statutes. It would first abolish the Athletic Commission and the Department of Commerce and Economic Development's regulatory oversight of professional boxing and wrestling. Professional boxing and wrestling matches are very infrequent in Alaska. Therefore, the license fees which are set in statute would have to be raised significantly in order to cover the cost of adequate oversight. Currently, the fees are much too low to allow the board and department to comply with their statutory responsibility.

Section 9 would also repeal a requirement that the commissioner of commerce and economic development certify an applicant as a professional geologist if the applicant is already certified by the American Institute of Professional Geologists. This state certification requirement merely places a duty on the commissioner without providing an additional benefit to the public safety or welfare.

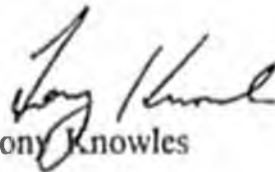
Finally, sec. 9 would abolish the Water Resources Board. The board has not convened or conducted any business in the last few years for lack of legislative financing. Although the Department of Natural Resources will not assume all of the board's functions, it can and will advise the governor on major water policy issues when the need arises. Thus, the elimination of the board will not unreasonably diminish the ability of the state to address matters relating to water appropriations and use.

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A part of sec. 10 of the bill would repeal a requirement that nonresident businesses annually file information on sworn affidavits and tax bonds before conducting business in the state. This requirement was placed on nonresident businesses in 1955 when few of them had offices or property in the state. That made it difficult to enforce payment of taxes and license fees. But that is no longer the case. The bonding requirement, unique to Alaska, creates an unfriendly business environment in the state. The program provides no benefit, is unproductive for business, and burdensome for state staff. I recommend that it be repealed.

I urge your prompt consideration and passage of this bill that streamlines and improves the operations of state government.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tony Knowles".

Tony Knowles
Governor

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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

MEMORANDUM

March 19, 1996

SUBJECT: Single Subject Problems in CSSB 215(RES)

TO: Senator Loren Leman, Chair
Senate Resources Committee

FROM: Tamara Brandt Cook
Director *TBC*

Here is the committee substitute you requested for this bill. Because the bill has been reported from committee, I have tried not to make many changes to the language requested. However, I did add at the end of the title reference to service on nonresident taxpayers which did not seem to me to be included in the subject description. Please let me know if that is not acceptable. Also, be aware that this bill, both as originally introduced by the Governor and as amended in this committee substitute, may well violate article II, sec. 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 generally given the requirement a liberal interpretation, adopting, in Geller 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 Geller, 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. Quoted in 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. Generally, only clear violations of the single subject requirement have been found unconstitutional. (cf. 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 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 Moore dissent in Yute Air takes on increased importance in light of the California Supreme Court's decision two years later in Harbor v. Deukmejian, 742 P.2d 1290 (Cal. 1987). Prior to Harbor, the law in California was substantially similar to Alaska. Both states prohibit multiple subjects in the same bill.^{1/} California's courts had interpreted the single subject rule primarily in the context of the expression rule, but when focusing on single subject their pronouncements were remarkably similar to the Alaska cases cited above.^{2/} Justice Mosk's opinion in Harbor summed up the California cases as holding that

. . . a measure complies with the [single subject] rule if its provisions are either functionally related to one another or are reasonably germane to one another or the objects of the enactment. *Id.* at 1303.

The Harbor case involved a measure relating to "fiscal affairs" and was essentially a budget reconciliation bill, making the "necessary statutory adjustments to implement" the budget enactment. *Id.* at 1291, quoting from the bill's title and from sec. 71, which set out the justification for the bill's immediate effective date. As the court described the bill, it sounds remarkably similar to SB 215. The bill contained "71 sections enacting, amending, and repealing numerous provisions in numerous codes." *Id.* at 1291. The court went on to state, at 1303, that "fiscal affairs" as the subject, and "statutory adjustments" to effect savings consistent with the budget as its object, suffer from "excessive generality" that "violates the purpose and intent of the single subject rule."^{3/} In the heart of its holding, the court said:

[Fiscal affairs and statutory adjustments] are too broad in scope if, as petitioners appear to claim, they encompass any substantive measure which has an effect on the budget. The number and scope of topics germane to "fiscal affairs" in this sense is virtually unlimited. If petitioners' position were accepted, a substantial portion of the many thousand statutes adopted

^{1/} California's constitution, in art. IV, § 9, provides that "...a statute shall embrace but one subject, which shall be expressed in its title." In context, "statute" is equivalent to "bill," so it can be seen that the constitutional provision under consideration in Harbor is almost identical to Alaska's.

^{2/} See the discussion of the history of California's rule in Harbor, 742 P.2d 1290, at 1298-1303.

^{3/} The "primary and universally recognized purpose" of the single subject rule is to prevent log-rolling, the combining of several proposals in a single bill so that legislators can obtain a majority for a measure that might not have been approved as separate measures. See Harbor at 1300.

during each legislative session could be included in a single measure even though their provisions had no relationship to one another or to any single object except that they would have some effect on the state's expenditures as reflected in the budget bill. This would effectively read the single subject rule out of the Constitution. We hold, therefore, that Bill 1379 is invalid as a violation of article IV, section 9 of the California Constitution. Id. at 1303-1304. (emphasis added)

See also a prior concurring and dissenting opinion by Justice Mosk in Brosnahan v. Eu, 641 P.2d 200 (Cal. 1982), a case in which an initiative was challenged as violating the single subject rule,⁴ in which he said:

The constitutional requirement is not satisfied by attaching a broad label to a measure and then claiming that its provisions are encompassed under that wide umbrella. Otherwise, initiatives which refer to "property" or "women" or "public welfare" or "the pursuit of happiness" could also be held to constitute one subject, no matter how diverse their terms.

It is my belief that our supreme court, when presented with the issue in the context of a bill like SB 215, will follow the path scouted by Justice Moore in his dissent in Yute Air and more thoroughly explored by Justice Mosk in Harbor (an exploration that was joined, by the way, without dissent by the other justices of California's supreme court). The fact that several of these "omnibus" bills have now been enacted in Alaska provides scant comfort. The practice had gone on for over six years in California before an affected entity brought a challenge.

In SB 215, the stated subject, as expressed in the title, is "streamlining the functions of state government." While this may be a statement of the goals of the bill, it is not a subject, let alone a single subject. Nor is it necessarily descriptive of the contents of the bill. I can see nothing that distinguishes SB 215 from the California measure that was challenged in Harbor. They both attempt to encompass an excessively broad subject matter.

TBC:glc:klb
96-171.glc

⁴ In California, as in Alaska, initiatives are subject to the single subject rule.

CS FOR SENATE BILL NO. 215(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RESOURCES COMMITTEE

Offered: 3/20/96

Referred: HESS, L&C, FIN

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act streamlining the functions of state government, including allowing agents
2 selling fish and game licenses and tags to retain certain compensation;
3 authorizing the Department of Health and Social Services to award grants for
4 certain services for developmentally delayed or disabled children; relating to
5 rabies control and administration of flour and bread standards by the
6 Department of Environmental Conservation; repealing the Athletic Commission,
7 the regulation of boxing and wrestling, the certification of professional geologists,
8 and the Water Resources Board; repealing certain filing statements and bonds
9 for enforcement and collection of certain taxes; relating to service of process
10 on nonresident taxpayers; and providing for an effective date."

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

12 * Section 1. AS 16.05.390(a) is amended to read:

1 (a) Except as provided in (e) of this section, an agent appointed by the
2 commissioner under AS 16.05.380 to sell licenses and tags is entitled to retain

3 (1) [RETAIN] five percent of the fee that is charged for a license or
4 tag or 25 cents for each license or tag sold, whichever is greater; and

5 (2) compensation of \$50 per year or \$1 for each license or tag sold
6 during the year, whichever is greater.

7 * Sec. 2. AS 16.05.390(b) is amended to read:

8 (b) Each agent appointed to sell licenses or tags under AS 16.05.380 shall, as
9 directed by the commissioner, transmit the proceeds from the sales of licenses and
10 tags, except the amount authorized to be retained under (a) [(a)(1)] of this section,
11 together with a report of the sales, to the commissioner for deposit in the fish and
12 game fund or the general fund.

13 * Sec. 3. AS 16.05.390(g) is amended to read:

14 (g) The commissioner may assess a penalty against an agent who does not
15 transmit proceeds within the time allowed under (f) of this section. The penalty is
16 equal to one and one-half percent of the amount of proceeds due. The penalty may
17 be assessed for each month or portion of a month that the proceeds are delinquent.
18 [A PENALTY UNDER THIS SUBSECTION SHALL BE WITHHELD FROM THE
19 AGENT'S COMPENSATION UNDER (a)(2) OF THIS SECTION.]

20 * Sec. 4. AS 43.10.170(b) is amended to read:

21 (b) The service of process shall be made by leaving a copy with the
22 commissioner of commerce and economic development. If legal action is instituted
23 against the nonresident taxpayer, the commissioner of commerce and economic
24 development shall immediately notify the nonresident by sending a copy of the process
25 by registered letter to the [POST OFFICE ADDRESS STATED IN THE AFFIDAVIT
26 ON FILE WITH THE COMMISSIONER OF REVENUE, OR, IF NO ADDRESS IS
27 STATED IN THE AFFIDAVIT, TO THE] last known address of the taxpayer.

28 * Sec. 5. AS 47.20 is amended by adding a new section to read:

29 Sec. 47.20.075. GRANT AUTHORITY. The department may award grants
30 for covered services to children eligible under this chapter.

31 * Sec. 6. AS 47.20.110(a) is amended to read:

*Infant
Substance
Program
otherwise
a contract*

1 (a) The department shall adopt regulations necessary to implement this chapter,
2 including regulations

3 (1) for personnel development, including preservice and in-service
4 training programs for providers of early intervention services;

5 (2) to govern resolution of intraagency and interagency disputes about
6 the provision of services under this chapter and the financial responsibility of the
7 respective parties for those services;

8 (3) that ensure that services are provided to children and their families
9 in a timely manner pending the resolution of disputes among public agencies or service
10 providers;

11 (4) providing for due process with respect to the rights of children and
12 parents who are eligible for services under this chapter; the regulations must provide
13 that during the pendency of a complaint about a change in services, the child and
14 family shall continue to receive the prior services unless the state and the family
15 otherwise agree, or, if the complaint relates to an application for initial services, the
16 child and family shall receive the services that are not in dispute; and

17 (5) for the award of grants under this chapter.

18 * Sec. 7. AS 03.05.070; AS 17.07.010, 17.07.020, 17.07.030, 17.07.040, 17.07.050,
19 17.07.060, 17.07.070, 17.07.080, 17.07.090, 17.07.100, and 17.07.200 are repealed.

20 * Sec. 8. AS 05.05.010, 05.05.020, 05.05.030, 05.05.040; AS 05.10.010, 05.10.020,
21 05.10.030, 05.10.040, 05.10.050, 05.10.060, 05.10.070, 05.10.080, 05.10.090, 05.10.100,
22 05.10.110, 05.10.120, 05.10.130, 05.10.140, 05.10.150, 05.10.160, 05.10.170; AS 08.01.010(3),
23 08.01.010(32); AS 08.02.011; AS 46.15.190, 46.15.200, 46.15.210, 46.15.220, 46.15.230, and
24 46.15.240 are repealed.

25 * Sec. 9. AS 16.05.390(c), 16.05.390(d); AS 43.10.160, 43.10.180, 43.10.190, and
26 43.10.200 are repealed.

27 * Sec. 10. TRANSITION: REGULATIONS. Notwithstanding secs. 12 and 13 of this Act,
28 the state agencies affected by this Act may proceed to adopt regulations necessary to
29 implement changes in law enacted by this Act. The regulations take effect under AS 44.62
30 (Administrative Procedure Act), but not before the respective effective date of the change in
31 law in this Act.

- 1 * Sec. 11. Sections 7 and 10 of this Act take effect immediately under AS 01.10.070(c).
- 2 * Sec. 12. Sections 5, 6, and 8 of this Act take effect July 1, 1996.
- 3 * Sec. 13. Sections 1 - 4 and 9 of this Act take effect January 1, 1997.

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF PUBLIC HEALTH

P.O. BOX 110610
JUNEAU, ALASKA 99811-0610
PHONE: (907) 465-3090
FAX: (907) 586-1877

March 26, 1996

The Honorable Lyda Green
Alaska State Senate
State Capital, Room 423
Juneau, Alaska 99911

Dear Senator Green:

Several questions arose in committee discussion of SB 215 relating to the ILP program. I hope the following information responds fully to those questions.

The Infant Learning Program provides early intervention services to children who have developmental delays or who are at risk for developmental delay. Priority for services is based on eligibility for entitlement and discretionary services. Children who are determined eligible for Part H of IDEA (those who have a delay of 50% or greater in one or more areas of development or an identified condition with a high probability of causing such a delay) are entitled to services. These children are the top priority for service and must be provided **comprehensive services** determined necessary to meet the child's needs.

Services for children who do not meet the Part H eligibility guidelines are discretionary. These children may receive core and/or comprehensive services¹ as funding permits. Priority is placed on providing core services and serving those children most severely affected. Using this approach services are provided for children eligible for discretionary services in the following priority order:

1. **Core services** for children who experience a developmental delay of 15% to 49% or a disability likely to result in such a delay.
2. **Core services** for children at risk of experiencing developmental delay or disability if early intervention services are not provided.
3. **Comprehensive services** for children at risk of experiencing developmental delay of 15% to 49% or a disability likely to result in such a delay.
4. **Comprehensive services** for children at risk of experiencing developmental delay or disability if early intervention services are not provided.

Honorable Lyda Green

March 26, 1996

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ILP services are provided to help mitigate a developmental delay and enable children to achieve their greatest potential. The nature of the problems being addressed make it most usual that children will require services through infancy and early childhood. Most families leave the ILP program for one of three major reasons: 1) the children make a transition to the preschool program at age three; 2) their condition is ameliorated; 3) the family relocates. However, at any time during enrollment in the Infant Learning Program a family may choose to discontinue services. Occasionally, due to limited funding, programs must limit the number of children enrolled who are not Part H eligible. Usually, this is accomplished through attrition, however, the potential exists that children who do not meet Part H eligibility may either receive decreased frequency of service or termination of services

Both federal regulations and state statute require that families be provided with due process reviews of decisions to deny or terminate ILP services. When a family appeals denial or termination of services they are eligible to receive certain services pending outcome of the appeal. Although this has not yet occurred in Alaska it is clear that Part H funds will cover the cost of services provided pending a decision on the appeal regardless of the outcome. The department has not yet developed regulations providing for similar service continuation for children eligible for discretionary (state funded) services only. There is currently no method to recoup expenses from a family that are paid while an appeal is in process.

I hope this responds fully to questions members had during committee deliberation on SB 215.

Sincerely,



Peter M. Nakamura, MD, MPH

cc: Karen Perdue

Commissioner

Honorable Lyda Green

March 26, 1996

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Core early intervention services include:

- **Case Management Services**
- **Special Instruction (providing activities and support to families in order to assist them to help their child learn and develop in the areas of physical, cognitive, communication, social / emotional and adaptive skills).**
- **Early identification, screening and assessment**

Comprehensive Services may include all or a portion of the following services:

- **Physical Therapy**
- **Occupational Therapy**
- **Family Service Coordination**
- **Family training, counseling and home visits**
- **Medical Services only for diagnostic or evaluation purposes**
- **Nutrition services**
- **Psychological Services**
- **Social Work Services**
- **Special Instruction**
- **Speech-language communication**
- **Transportation**
- **Vision Services**
- **Assistive Technology**

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB215(RES)

1996 LEGISLATIVE SESSION

Revision Date: Original Dept Affected Natural Resources
 Title: An Act streamlining the functions of BRU: Resource Development
state government... Component: Water Development
 Sponsor: Senate Rules
 Requestor: Senate HES Component Serial No. 916

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ none

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

ANALYSIS: (Attach a separate page if necessary)

The Alaska Water Resources Board (Board) was established by Article 3 of Alaska Statute 46.15, the Water Use Act, which was enacted in 1966. The seven-member board was created to advise the Governor on all matters relating to the use, appropriation, and protection of water. The Board is appointed by the Governor and confirmed by the Legislature. Over the past 15 years the Board has tackled a broad range of water management issues including federal reserve water rights, basin wide adjudications, critical management areas, instream flow for fish and wildlife, and water quality concerns. Funding had always been provided to the Board through the Department of Natural Resources. Three years ago, it was decided to eliminate this funding for higher priority projects within the Department. The Board has not been funded over the past three years and has not met since October 1993. It is not anticipated that this Board will be funded in the future and without the funding there is no need to preserve Article 3 of AS 46.15, that requires tasks that are not being accomplished.

Prepared by: Jules Tileston, Director Phone: 269-8625
 Division: Mining & Water Date: 21-Mar-96
 Approved by Commissioner: [Signature] Date: 21-Mar-96
 Agency: Natural Resources

Revision Date: _____ Dept. Affected: Revenue
 Title: Streamlining State Government BRU: Audit Operations
 Component: Income and Excise Audit
 Sponsor: Rules Committee
 Requestor: Governor COMPONENT SERIAL NO. 113

Expenditures/Revenues:		(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	
PERSONAL SERVICES							
TRAVEL							
CONTRACTUAL							
SUPPLIES							
EQUIPMENT							
LAND & STRUCTURES							
GRANTS, CLAIMS							
MISCELLANEOUS							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	
CAPITAL EXPENDITURES							
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0	

FUND SOURCE		(Thousands of Dollars)					
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	

Estimate of any current year (FY96) cost \$ 0

POSITIONS:						
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Section 9 of this bill repeals the Non-Resident Affidavit Tax Bond program. This will eliminate staff time spent on processing non-essential sworn affidavits and tax bonds required to be filed by non-resident corporations. Staff time freed up will be used to enhance our tax compliance programs (i.e. corporation, motor fuel and fisheries). The state will no longer receive interest earned on the cash bonds paid to the state. This loss of approximately \$100,000 will be more than offset by increased revenues from our compliance unit.

Prepared by: Robert N. Bartholomew *Robert Bartholomew* Phone: 465-2320
 Division: Income & Excise Audit Date: 1/9/96
 Approved by Commissioner: *[Signature]* Date: 1/9/96
 Agency: Department of Revenue

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STATE OF ALASKA
1996 LEGISLATIVE SESSION

Version: SB 215 No. 2
(S) Publish Date: 1/12/96

Revision Date: _____ Dept. Affected: Health and Social Services
Title: Streamlining Bill BRU: State Health Services
Component: Epidemiology
Sponsor: Rules Committee COMPONENT SERIAL NO. 296
Requestor: Tony Knowles, Governor See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

No Fiscal Impact.

Prepared by: Peter M. Nakamura, MD, MPH *Peter Nakamura*
Division: Public Health

Phone: 465-3090
Date: 01/09/96

Approved by Com: *Karen Perdue*
Agency: Karen Perdue, Commissioner
Department of Health & Social Services

Date: 1/9/96

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FISCAL NOTE

No. 4

Bill Version: SB 215

(S) Publish Date: 1/12/96

**STATE OF ALASKA
1996 LEGISLATIVE SESSION**

Revision Date: _____
Title: Streamlining Bill

Department Affected: Environmental Conservation

Sponsor: Rules Committee
Requestor: Governor

BRU: Environmental Health
Component: Seafood and Sanitation Inspections

COMPONENT SERIAL NO. 1936

Expenditures/Revenues:	(Thousands of Dollars)					
	FY 97	FY 98	FY 99	FY 00	FY 01	FY 01
OPERATING EXPENDITURES						
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
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE						
1000 Local Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1000 Misc	0.0	0.0	0.0	0.0	0.0	0.0
1000 GP	0.0	0.0	0.0	0.0	0.0	0.0
1000s GI/Program Receipt	0.0	0.0	0.0	0.0	0.0	0.0
1000s GI/MITIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 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

ANALYSIS: (Attach a separate page if necessary.)
No fiscal impact.

Bill repeals statutory requirement that department regulate rabies reporting and animal constraint with no threat to the public health and safety. The Department of Health and Social Services and local governments will continue rabies control efforts.

Bill also repeals the department's authority to administer flour and bread standards. The federal government sets standards for flour and bread which makes state standards unnecessary.

Prepared by: Larry Jones *Lawrence Jones*
Division: Director, Division of Administrative Services

Phone: 465-5010
Date: 1/9/96

Approved by Commissioner: *Lawrence Jones*
Agency: Department of Environmental Conservation

Date: 1/9/96

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FISCAL NOTE

No. 5

Bill Version: SB 215

(S) Publish Date: 1/12/96

**STATE OF ALASKA
1996 LEGISLATIVE SESSION**

Revision Date:	Dept. Affected: <u>Fish and Game</u>
Title: <u>An Act streamlining the functions of state government.</u>	BRU: <u>Administration and Support</u>
Sponsor: <u>Rules Committee</u>	Component: <u>Administrative Services</u>
Requester: <u>Governor</u>	COMPONENT SERIAL NO. <u>479</u>

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 Match						
1004 GF						
1005 GF/Program Receipts						
1008 GF/MHTIA						
1024 Fish and Game Fund	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)
TOTAL	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)	(720.0)

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill will alter the way in which fish and game license vendor compensation is paid. Currently, the vendor withholds 5% of revenue generated from the sale of sport licenses as commission. The department also pays each vendor an additional \$1 per item sold on a quarterly basis. The amount of additional vendor compensation has been increasing for several years, requiring the department to request increases to its budget. This bill will allow vendors to withhold their additional vendor compensation along with their 5% commission. This will result in a reduction of revenue to the fish and game fund and an equal reduction in expenditures to be charged against the fund. This change will streamline the process for paying vendor compensation while having a net zero affect on the fish and game fund. This bill will effect approximately 1000 of the department's 1400 license vendors. It will still be necessary to make manual payments of up to \$50 to approximately 400 vendors that sell less than 50 licenses per year. The department will continue to report all compensation in the state accounting system and to vendors and the Internal Revenue Service on a form 1099.

Prepared by:	Kevin Brooks <i>Kevin Brooks</i>	Phone: <u>465-5999</u>
Division:	Administrative Services	Date: <u>1/9/96</u>
Approved by Commissioner:	Frank Rue <i>Frank Rue</i>	Date: <u>1/9/96</u>
Agency:	Fish and Game	

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FISCAL NOTE

No. 6

Bill Version: SB 215

(S) Publish Date: 1/12/96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: _____	Department: <u>Commerce and Economic Development</u>
Title: <u>An Act streamlining the functions of state</u>	BRU: <u>Occupational Licensing</u>
government: _____	Component: <u>Operations</u>
Sponsor: <u>Rules Committee</u>	COMPONENT SERIAL NO. <u>1844</u>
Requestor: <u>Governor</u>	

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	(4.4)	(4.4)	(4.4)	(4.4)	(4.4)	(4.4)
TRAVEL	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
CONTRACTUAL	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)
CAPITAL EXPENDITURES						
CHANGE IN REVENUES	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other: 1091 Designated PR	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)
TOTAL	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)

Estimate of any current year (FY 96) cost: \$ 5.3

POSITIONS

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary)

Section 8 repeals regulatory oversight statutes and statutory references under centralized licensing for the Athletic Commission (AS 05.05 and AS 05.10), and the certification of professional geologists (AS 08.02.011). The reduction identified in this fiscal note represent direct costs associated with these programs: Athletic Commission at \$3.6, and Professional Geologists at \$1.7. The reduction of revenue is based on fees generated in FY 95. Revenue of the Athletic Commission totalled \$1.4 and licenses are renewed annually. Revenue generated by certification of professional geologists totalled \$2.6 and are based on a one time charge with no expiration.

Prepared by: _____	Jennifer Strickler, Administrative Officer <i>JES</i>	Phone: <u>465-2144</u>
Division: _____	Occupational Licensing <i>ESK</i>	Date: <u>January 9, 1996</u>
Approved by Commissioner: _____	William L. Hensley <i>W. Hensley</i>	Date: <u>1-9-96</u>
Agency: _____	Commerce and Economic Development	

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FISCAL NOTE

No. 7

Bill Version: SB 215

BILL (S) Publish Date: 1/12/96

**STATE OF ALASKA
1996 LEGISLATIVE SESSION**

Revision Date: Original Dept Affected Natural Resources
 Title: Streamlining State Government BRU: Resource Development
 Component: Water Development
 Sponsor: Rules Committee
 Requestor: Governor Knowles Component Serial No. 916

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ none

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

The Alaska Water Resources Board (Board) was established by Article 3 of Alaska Statute 46.15, the Water Use Act, which was enacted in 1966. The seven-member board was created to advise the Governor on all matters relating to the use, appropriation, and protection of water. The Board is appointed by the Governor and confirmed by the Legislature. Over the past 15 years the Board has tackled a broad range of water management issues including federal reserve water rights, basin wide adjudications, critical management areas, instream flow for fish and wildlife, and water quality concerns. Funding had always been provided to the Board through the Department of Natural Resources. Three years ago, it was decided to eliminate this funding for higher priority projects within the Department. The Board has not been funded over the past three years and has not met since October 1993. It is not anticipated that this Board will be funded in the future and without the funding there is no need to preserve Article 3 of AS 46.15, that requires tasks that are not being accomplished.

Prepared by: Jules Tyleston, Director Phone: 269-8625
 Division: Mining & Water Date: 5-Jan-96
 Approved by Commissioner: [Signature] Date: 5-Jan-96
 Agency: Natural Resources

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Revision Date: _____ Dept. Affected: Revenue
 Title: An Act streamlining the functions BRU: Revenue Operations
of state government, etc. Component: Treasury
 Sponsor: Rules Committee
 Requestor: (S) RES COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURE:						
CHANGE IN REVENUES ()	7,065.0	685.5	685.5	685.5	685.5	685.5

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1006 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)
 This fiscal note is based on our understanding and assumption that the bill will allow for insurance premium tax payments to be paid quarterly (versus current annual payment) and paid by an electronic method. The electronic method of payment allows machine capture of the remittance data, which will be posted directly to their database by the Division of Insurance which will streamline and make more current the status of the remitter's account. This will result in approximate / \$7.0 million of previously anticipated fiscal year 1998 revenue being received in FY97. This will not reduce FY98 or subsequent year revenue. It is simply accelerating the receipt of revenues. In addition, the earlier and more frequent receipt of these funds will result in an estimated increase in interest earnings to the general fund of \$65.0 in FY97 and \$685.5 in years thereafter.

Prepared by: Vern Voss, Cash Manager and Investment Officer Phone: 465-3700
 Division: Treasury Date: March 13, 1996
 Approved by Commissioner: Ross Kinney, Deputy Commissioner Date: March 13, 1996
 Agency: Department of Revenue

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