SCOMM

122:28

Testimony by Invitation only

LEGISLATIVE TELECONFERENCE NETWORK

SIGN-IN SHEET

SPONSOR: Jt Com on Privatization

SUBJECT:

START/END TIME: 9:00 **DATE:** 11-30-99

PLEASE PRINT

	Name/Representing	Address	Zip	Phone No.	Testify	Observe	Bill No.
1.	Brad Brown	2200 Shore Dr	99515	522-2254		✓	
2.	Randy Simmons AOGA	480 W. Tudor #A	99503	269-3000	✓		
3.	Jim Chase DMVA	P.O. Box 5800 Ft Rich	99505	4286854		✓	
4.	Chris Nelson	Anchorage L10 Rm 540	99501	269-0218	✓		
5.	Keith Lawfer AIDEA	480 W. Tudor Anch	99503	269-3046		✓ QUESTIONS	
6.	Ken Varner WVJB	900 W 5th Ave #600	99501	276-1401		✓	
7.	Eric Yould ARCO	703 W Tudor Rd	99503	561-5103			
8.	Lee Wareham	24865 Teal Loop Chugiak 99567		688-2540	✓		
9.							
10.							
11.							
12.							
13.							
14.							
15.							

Full Commission Schedule & Department Reviews

DATE	Dept Review	Dept Review	Dept Review	Dept Review	Dept Review
October 28	Revenue				
November 4	Corrections	Law	Labor	DEC	Courts
November 10	Legislature	Admin	Public Safety		
November 18	CED	DOT	Fish & Game		
November 24	Education	HESS			
November 30	Governor				
December ?					
December 13					

- ✓ Administration
- ✓ CED
- ✓ Corrections
- ✓ Courts
- ✓ Education
- ✓ Environmental Conservation
- ✓ Fish & Game
- ✓ Governor
- ✓ Hess
- ✓ Law
- ✓ Labor
- ✓ Legislature

Military & Veteran Affairs

Natural Resources

- ✓ Public Safety
- ✓ Revenue
- ✓ Transportation

University

COMMISSION ON PRIVATIZATION and Delivery of Government Services

AGENDA
Full Commission Meeting
October 28, 1999
9:00 AM

1) CALL TO ORDER (Time / Date)

2) ROLL CALL OF REMOTE SITES
   a) Juneau _____
   b) Fairbanks _____
   c) Mat-Su _____
   d) Kenai _____
   e) Other _____

3) ROLL CALL OF COMMISSION MEMBERS (staff)

4) APPROVAL OF PREVIOUS MINUTES

5) INTRODUCTION OF NEW COMMISSIONER, Emil Notti
   a) Comments by Commissioner Notti

6) REPORT BY SUBCOMMITTEE
   a) Revenue – Chairperson, MaryAnn Pease

7) COMMISSIONER COMMENTS
   Senator Adams
   Representative Brice
   Commissioner Allen
   Commissioner Fink
   Commissioner Harper
   Commissioner Notti
   Commissioner Thomas
   Commissioner Valesko
   Commissioner Weurch

8) NEXT MEETING SCHEDULE
   November 4, November 10, November 18, November 24, November 30, December 13

9) PUBLIC COMMENTS

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0107 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223

COMMISSION ON PRIVATIZATION and Delivery of Government Services

AGENDA
Full Commission Meeting
December 13, 1999
9:00 AM

1) CALL TO ORDER (Time / Date)

2) ROLL CALL OF REMOTE SITES
   a) Juneau _____
   b) Fairbanks _____
   c) Other _____

3) ROLL CALL OF COMMISSION MEMBERS (staff)

4) APPROVAL OF PREVIOUS MINUTES (November 24, 30, Dec 1, Dec 7, Dec 8 minutes not attached nor available as of 12-13-99, 8:00 AM)

5) OLD BUSINESS
   a) UA Items I – X of Report Outline - *Pending*
   b) UA Response – *Pending*
   c) UA Extended Campuses Dollar per Student Study - *Declined*

6) NEW BUSINESS
   a) Transmittal Letter
   b) Draft Report

7) COMMISSIONER COMMENTS
   - ❑ Senator Ward
   - ❑ Representative Cowdery
   - ❑ Senator Adams
   - ❑ Representative Brice
   - ❑ Commissioner Allen
   - ❑ Commissioner Fink
   - ❑ Commissioner Harper
   - ❑ Commissioner Notti
   - ❑ Commissioner Thomas
   - ❑ Commissioner Valesko
   - ❑ Commissioner Wuerch

8) MEETING SCHEDULE

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0107 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223

COMMISSION ON PRIVATIZATION and Delivery of Government Services

AGENDA
Full Commission Meeting
December 8, 1999
9:00 AM

9:00 am / 11:43 am

1) CALL TO ORDER (Time / Date)

2) ROLL CALL OF REMOTE SITES
   a) Juneau _____
   b) Fairbanks _____
   c) Other _____

3) ROLL CALL OF COMMISSION MEMBERS (staff)

4) APPROVAL OF PREVIOUS MINUTES (November 24, 30, Dec 1, Dec 7 minutes not attached nor available as of 12-07-99, 5:00 PM)

5) OLD BUSINESS
   a) UA Items I – X of Report Outline - *Pending*
   b) UA Response – *Pending*
   c) UA Extended Campuses Dollar per Student Study - *Declined*

6) NEW BUSINESS
   a) AK Railroad
   b) Legislative Proposal from Kathryn Thomas
   c) FAIRA Bill
   d) Adoption of Recommendations

7) COMMISSIONER COMMENTS
   - [x] Senator Ward
   - [x] Representative Cowdery
   - [x] Senator Adams
   - [ ] Representative Brice – absent, out of State
   - [x] Commissioner Allen
   - [x] Commissioner Fink
   - [x] Commissioner Harper
   - [x] Commissioner Notti
   - [x] Commissioner Thomas
   - [x] Commissioner Valesko
   - [x] Commissioner Wuerch

11 present

8) MEETING SCHEDULE
   December 13 (if necessary), December 14 (if necessary)

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0107 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223

COMMISSION ON PRIVATIZATION and Delivery of Government Services

AGENDA
Full Commission Meeting
December 8, 1999
9:00 AM

1) CALL TO ORDER (Time / Date)

2) ROLL CALL OF REMOTE SITES
   a) Juneau _____
   b) Fairbanks _____
   c) Other _____

3) ROLL CALL OF COMMISSION MEMBERS (staff)

4) APPROVAL OF PREVIOUS MINUTES (November 24, 30, Dec 1, Dec 7 minutes not attached nor available as of 12-07-99, 5:00 PM)

5) OLD BUSINESS
   a) UA Items I – X of Report Outline - *Pending*
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   c) UA Extended Campuses Dollar per Student Study - *Declined*

6) NEW BUSINESS
   a) AK Railroad
   b) Legislative Proposal from Kathryn Thomas
   c) FAIRA Bill
   d) Adoption of Recommendations

7) COMMISSIONER COMMENTS
   - ☐ Senator Ward Y
   - ☐ Representative Cowdery Y
   - ☐ Senator Adams 2
   - ☐ Representative Brice
   - ☐ Commissioner Allen 2
   - ☐ Commissioner Fink 2Y
   - ☐ Commissioner Harper 2
   - ☐ Commissioner Notti 2
   - ☐ Commissioner Thomas 2
   - ☐ Commissioner Valesko 2
   - ☐ Commissioner Wuerch 2

Fink 6 — Cost settlement

Fink 9 — Public money for arts, radio?

3|7

8) MEETING SCHEDULE
   December 13 (if necessary), December 14 (if necessary)

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0107 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223

COMMISSION ON PRIVATIZATION and Delivery of Government Services

AGENDA
Full Commission Meeting
December 8, 1999
9:00 AM

1) CALL TO ORDER (Time / Date)

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   a) Juneau _____
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   c) Other _____

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   a) AK Railroad
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   c) FAIRA Bill
   d) Adoption of Recommendations

7) COMMISSIONER COMMENTS
   - Y ☐ Senator Ward 2 Y
   - Y ☐ Representative Cowdery
   - N ☐ Senator Adams 2 N
   - ☐ Representative Brice
   - N ☐ Commissioner Allen 2 N
   - Y ☐ Commissioner Fink
   - Y ☐ Commissioner Harper
   - Y ☐ Commissioner Notti
   - Y ☐ Commissioner Thomas
   - N ☐ Commissioner Valesko
   - Y ☐ Commissioner Wuerch

7/3 Fink 4 — 2/8 — product prep & Fink 5

8) MEETING SCHEDULE
   December 13 (if necessary), December 14 (if necessary)

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0107 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223

COMMISSION ON PRIVATIZATION and Delivery of Government Services

AGENDA
Full Commission Meeting
December 8, 1999
9:00 AM

1) CALL TO ORDER (Time / Date)

2) ROLL CALL OF REMOTE SITES
   a) Juneau _____
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   c) Other _____

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6) NEW BUSINESS
   a) AK Railroad
   b) Legislative Proposal from Kathryn Thomas
   c) FAIRA Bill
   d) Adoption of Recommendations

7) COMMISSIONER COMMENTS
   - ☐ Senator Ward Y
   - ☐ Representative Cowdery Y
   - ☐ Senator Adams N
   - ☐ Representative Brice 9/1
   - ☐ Commissioner Allen Y
   - ☐ Commissioner Fink Y
   - ☐ Commissioner Harper Y
   - ☐ Commissioner Notti Y
   - ☐ Commissioner Thomas Y
   - ☐ Commissioner Valesko Y
   - ☐ Commissioner Wuerch Y

8) MEETING SCHEDULE
December 13 (if necessary), December 14 (if necessary)

6A AICR under exec. Budget act

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0107 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223

Accept the motion

(1) Conceptual motion.

Fink objects

along the lines of appendix

Valesho.

Open the Public Employee Employment Act. PARA.

Voted to amend PARA.

Ward – Voting for her motion

Conceptually approved.

(1) RFP for the ARRC.

Adams – RFP.

Valesho Seconds

COMMISSION ON PRIVATIZATION and Delivery of Government Services

AGENDA
Full Commission Meeting
December 8, 1999
9:00 AM

1) CALL TO ORDER (Time / Date)

2) ROLL CALL OF REMOTE SITES
   a) Juneau _____
   b) Fairbanks _____
   c) Other _____

3) ROLL CALL OF COMMISSION MEMBERS (staff)

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6) NEW BUSINESS
   a) AK Railroad
   b) Legislative Proposal from Kathryn Thomas
   c) FAIRA Bill
   d) Adoption of Recommendations

7) COMMISSIONER COMMENTS
   - ☐ Senator Ward Y
   - ☐ Representative Cowdery N
   - ☐ Senator Adams N
   - ☐ Representative Brice
   - ☐ Commissioner Allen N
   - ☐ Commissioner Fink N
   - ☐ Commissioner Harper N
   - ☐ Commissioner Notti Y
   - ☐ Commissioner Thomas Y
   - ☐ Commissioner Valesko N
   - ☐ Commissioner Wuerch N

3/7 Fail

4/6

8) MEETING SCHEDULE
   December 13 (if necessary), December 14 (if necessary)

AK Rail
UA

amendment

main motion

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0107 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223

Thomas 1

12-8-99 Meeting

(Version Y)

Thomas - AOG

Establish by

#14

to include identifying service cost & establishing an

including service cost

and an Indep.* audit committee and staff. They shall review subcommittee recommendations.

passed unanimously

Cowdery - move
Thomas - 2nd

*(performance; financial) - before "audit"

amendment #1

Bill Allen - move
Thomas - second

10/0 pass

part of main motion now.

amend #2

Valeska → approp. money to continue commission for next 10 years to find it properly.

word - object

make the recommendation - appropriate funds could from day to do an appropriate job - "enact a statute to find it properly to carry forward commission work"

9:30am we're here

Allen suggests to appoint 3-5 to study an ongoing effort.

"Conceptual"

Thomas - move
Cordery - 2nd

Legis. consider ways to allow DGS ~~and~~ in the most effective, cost efficient manner w/ consider for provide public & private citizens w/ a mechanism to have avail. uses in the appendix. (conceptual motion.

- see student

It missed the vote - typing. (conceptual

RFP for the HRR 4/6 - see

Adams - move
Vickers - Second (line ~~565~~ 564 pg 49)

Adams moving all of the proposal.

3/7 -

amendment I

Wood - replace motion w/ Priva Task Force Recom to not consider placing the RR under the Exec Budget act.

(cordery - second motion

- AKRR - Herbicid

Thomas - Move
Welch - Second

#15

9/1 Adams

language from report ML 570

#16 FINK 2 AKRR → Executive Budget Act
Cawdery -
FINK - Second

6/4 Adams
= Allen
Harper
Valeska

Welch - Admin 5 Telephony
~~Welch - Move~~
Adams - Second

#17 (Adams L)

ML #94

9/1 Valeska - believes it already done.

Valesko # 2
Valesko - move

#20 ammend - delete "substitute and Guaranteed"

10/0 - as ammended.

Adams II → accountability per Privatization — would dive this up.

FINK 4 — labor contracts & priv. act
FINK move
Condemy second

#19

7/3 Adams
Allen
Valesko

FINK 5 - Eliminate AK product, recycl, food products
FINK - Move
Condemy - Second

FINK 2 / 8 ~~Adams~~
~~Uverch~~
Condemy

FINK 6 Cont settlement, appeal → State Policy closure - Leg Review
FINK move
Condemy - Second

word 3/7 fail
condemy
FINK

FINK 9 - public radio, TV, arts & PCE
FINK
Condemy - 2nd

word 3/7 fail
condemy
FINK

Valesko 3 / Adams 11

AO 99-03

October 15, 1999

DRAFT ADVISORY OPINION 99-03

RE: Are volunteer members of a legislative advisory council covered by the Legislative Code of Conduct.

You are a legislative employee and are covered by the legislative ethics code. You have requested an advisory opinion concerning facts and circumstances that you have related. The committee relies on facts that you have described in answering your questions.

Statement of Facts

Last session the legislature enacted a Commission on Privatization and Delivery of Government Services in the legislative branch of government to review and evaluate recommendations for transferring the provision of government services to other entities. Sections 2 and 5, ch. 61, SLA 1999. Subsection 2(b) of that Act authorizes the commission to appoint an advisory council to assist it in carrying out its duties. You ask whether the members of the advisory council, who are not compensated for their services or eligible for reimbursement of travel expenses or per diem, are subject to any restrictions imposed by the Legislative Code of Ethics. You note that allegations have been made that some of the members of the advisory council may have conflicts of interest because their recommendations on privatizing activities could, if accepted and acted upon, benefit them personally.

Discussion

Generally, the Legislative Code of Ethics (AS 24.60) applies to members of the legislature,

legislative employees, and the public members of the ethics committee itself. AS 24.60.020(a). "Legislative employee" is defined at AS 24.60.990(10) as "a person, other than a legislator, who is compensated by the legislative branch in return for regular or substantial personal services . . .." It is clear from the privatization commission legislation that the members of the advisory council are not entitled to receive compensation from the legislative branch. Therefore they do not fall within the definition of legislative employee and are not covered as employees by the Legislative Ethics Code. The Code does make certain restrictions applicable to volunteers. Under AS 24.60.080(i),

> (h) A legislator, a legislative committee other than the Select Committee on Legislative Ethics, or a legislative agency may accept (1) a gift of volunteer services for legislative purposes so long as the person making the gift of services is not receiving compensation from another source for the services or (2) a gift of the services of a trainee who is participating in an educational program approved by the committee if the services are used for legislative purposes. The committee shall approve training under a program of the University of Alaska and training under 29 U.S.C. 1501 - 1792b (Job Training Partnership Act) . A legislative volunteer or educational trainee shall be considered to be a legislative employee for purposes of compliance with AS 24.60.030 - 24.60.039, 24.60.060, 24.60.080, 24.60.085, 24.60.158 - 24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative volunteer or educational trainee has violated the provisions of one of those sections, the person may file a complaint under AS 24.60.170. The

provisions of AS 24.60.170 apply to the proceeding.

The ethics code does not define "volunteer" or describe who is intended to be included in the term. The committee believes that it is clear from the context of subsection (h) and the focus of the ethics code on employees and legislators that the term is meant to apply to individuals who are either in training as employees (under programs like the JTPA) or performing employee-like functions. The inclusion of volunteers is aimed at situations in which an individual legislator may benefit from the activities of the volunteer (by an increase in staff support, for example). The members of the advisory council are acting in a different capacity, as advisors to the legislative branch of government. Their role is different from that of the volunteers who are intended to be covered by AS 24.60.080(h). The committee holds that members of the advisory council are not subject to the requirements of that subsection. The fact that a member might receive a personal benefit if the council's recommendations were accepted by the privatization commission, forwarded to the legislature, and implemented through legislation does not change this result.

Conclusion

For the reasons stated above, the committee finds that volunteer members of the advisory council of the Commission on Privatization and Delivery of Government Services are not subject to AS 24.60 (the Legislative Code of Ethics).

Adopted by the Select Committee on Legislative Ethics on **.

* discuss including committees and agencies.

Members present and concurring in this opinion were:

Members dissenting from this opinion were:

Members absent were:

LIST OF MEMBERS OF THE COMMITTEE			
Shirley McCoy, Chair	yes	no	absent
Representative Al Kookesh	yes	no	absent
Representative Pete Kott	yes	no	absent
Senator Lyman Hoffman	yes	no	absent
Senator John Torgerson	yes	no	absent
Dennis Cook, public member	yes	no	absent
Ed Granger, public member	yes	no	absent
H. Connor Thomas, public member	yes	no	absent
Curt D. Wallace, public member	yes	no	absent

TC:pl:glc
99-166.plm

Subject: Advisory Opinion Request
Date: Mon, 11 Oct 1999 12:31:43 -0800
From: Marco Pignalberi <Marco_Pignalberi@legis.state.ak.us>
Organization: Alaska State Legislature
To: Ethics Committee <Ethics_Committee@legis.state.ak.us>

Suzy:
SB 33 establishes the Commission on Privatization and Delivery of Government Services. Section 2 (b) authorizes the Commission to appoint an Advisory Council. The Commission has done so and recruited approximately 300 volunteers who are working on 17 subcommittees. Please refer to Section 2 (b) of SB 33, linked here,
http://www.legis.state.ak.us/PDF/21/sb0033F.PDF

These volunteers are neither paid nor eligible for reimbursement of expenses, travel or per diem. They have the same incidental access to LIO resources as do all citizens.

The charge has been made that the Advisory Council volunteers, who serve without compensation of any kind, have conflicts of interest. These conflicts are alleged toderive because the volunteers might be making recommendations to the Commission about privatizing activities in certain departments. Presumably, a volunteer could make a recommendation that would be of personal benefit. For example, a volunteer who owns an auto mechanic shop may vote to recommend that vehicle maintenance be contracted out to the private sector. These recommendations will be strictly advisory and subject to public review by the full Commission, both houses of the legislature and the governor. They would also have to comply with the state's procurment process. Neither the Advisory Council members nor the Commission have any actionable decision making authority. Their purpose is to advise the legislature and the governor.

Under separate cover, I provided a legal opinion from Legislative Legal Services. Rep. Cowdery also asked the governor for an Attorney General 's opinion. We are covering all bases and wish to have an Advisory Opinion on the question:

"Do public members who volunteer on a legislative advisory council fall under the requirements of the ethics code, including he conflict of interest requirements?"

Because there are so many volunteers involved, we would like to have this issue resolved promptly. As always your assistance is appreciated. Please call on me if you need additional information.

Regards,
Marco P.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH 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 September 7, 1999

SUBJECT: Application of conflicts of interest provisions (CCS SB 33)

TO: Representative John Cowdery
Attn: Marco Pignalberi

FROM: Tamara Brandt Cook
Director

You have asked how conflicts of interest provisions might apply to members of an advisory council appointed under CCS SB 33. That act establishes the Commission on Privatization in the legislative branch and authorizes the Commission to appoint an advisory council. These members "are not eligible for compensation, per diem, or payment of travel or other expenses by the state." (Ch. 61, SLA 1999 (CCS SB 33), Sec. 3(b))

AS 24.60 (Standards of Conduct) generally applies to the legislative branch of government and it contains several provisions that address conflicts of interest issues. (AS 24.60.030, AS 24.60.040, AS 24.60.050, AS 24.60.070, AS 24.60.080, AS 24.60.085, AS 24.60.090, AS 24.60.100) All these conflicts of interest provisions apply to a legislator or legislative employee. (AS 24.60.020) The term "legislative employee" is defined in AS 24.60.990(10). Because compensation is required as part of the definition and the advisory council members appointed under CCS SB 33 are not compensated, in my opinion the majority of the conflicts of interest provisions do not apply to these members. A few of the conflicts of interest provisions do apply to another person who is acting on behalf of a legislator or legislative employee (see AS 24.60.030(d) for example), and a few apply to a member of the immediate family of a legislator or legislative employee (see AS 24.60 040 for example). However, serving on an advisory council alone will not bring a person within the coverage of even these provisions.

In conclusion it is my opinion that the conflicts of interest provisions of AS 24.60 do not apply to members of an advisory committee appointed under CCS SB 33, but be aware that the Select Committee on Legislative Ethics has authority to construe and apply AS 24.60 and that my opinion will not bind or influence the Select Committee. Advice can be requested directly from the Select Committee. (AS 24.60.158, AS 24.60.160)

TBC:pl
99-125.plm

July 1999

July 1999

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4	5	6	7	8	9	10
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August 1999

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29	30	31				

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
			July 1	2	3
Education = ~~15~~ ~~17~~ DNR = ~~11~~ DEC = ~~12~~ ~~Admin~~ = ~~8~~ ~~10~~		CED = ~~13~~ ~~14~~ Correct = 9 HESS = ~~21~~ ~~23~~ 24			4
5	6	7	8	9	10
DOT = ~~14~~ ~~15~~ F & G = ~~10~~ ~~11~~ Courts = ~~11~~		Law = ~~8~~ Public Safety = ~~7~~ ~~8~~ DMVA = 4			11
12	13	14	15	16	17
Labor = ~~9~~ ~~10~~ Revenue = ~~5~~ ~~6~~ ~~7~~ Gov = ~~8~~		University = ~~7~~ ~~8~~ Legis = 2 Hydro = 4			18
19	20	21	22	23	24
	9:00am Full Commission	AK/RR = ~~5~~ ~~10~~ FC = 10		205 total	As of Dec 1
26	27	28	29	30	31
12:00pm Education	11:30am Admin	12:00pm DNR 1:00pm DEC		12:00pm Education 2	

August 1999

August 1999

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22	23	24	25	26	27	28
29	30	31				

September 1999

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19	20	21	22	23	24	25
26	27	28	29	30		

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
					August 1
2	3	4	5 2:00pm DEC 2	6 12:00pm DOT 1 4:00pm DNR 2	7 8
9 12:00pm Education 3	10	11	12	13 10:00am DOT 2	14 15
16 9:00am FULL COMMISSION 2 12:00pm Education 4 4:00pm DNR 3	17 11:30am CED 1 12:00pm Fish & Game 1	18 9:00am Revenue 1 10:00am DEC 3 12:00pm Courts 1 2:30pm Labor 1	19 11:30am Admin 2 12:00pm Gov 1	20 10:00am DOT 3	21 22
23 12:00pm Educ 5 4:00pm NAT RES 4	24 12:00pm Corr 1	25 12:00pm COURTS 2 2:30pm LABOR 2 3:30pm CED 14	26 11:30am LAW 1 1:30pm DEC 4	27 10:00am DOT 4 10:00am GOV 2	28 29
30 12:00pm Educ 6 1:30pm Educ Sub 5 4:00pm NAT RES 5	31 11:00am HESS 1 12:00pm CORR 2				

~~catch~~ artechaptialwaka.net

September 1999

September 1999

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26	27	28	29	30		

October 1999

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3	4	5	6	7	8	9
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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
		September 1 8:00am REV 2 12:00pm COURTS 3 1:30pm DEC 5 2:30pm LABOR 3 3:30pm CED 2	2	3 10:00am DOT 5 11:00am GOV 3	4 5
6 Holiday	7 11:00am HESS 2 12:00pm CORR 3 2:30pm LABOR 10 3:00pm Fish & G 2	8 12:00pm COURTS 4	9	10 10:00am DOT 6 10:30am PUBLIC SAFETY 1	11 12
13 12:00pm Educ 7 4:00pm NAT RES 6	14 8:00am 11:00am HESS 3 12:00pm CORR 4 3:00pm Fish & G 3	15 8:00am REV 3 12:00pm COURTS 5 2:30pm LABOR 4 3:30pm CED 3	16 11:30am DMVA 1 11:30am LAW 2 1:30pm DEC 6	17 10:00am DOT 7	18 19
20 9:00am FULL COMMISSION 3 12:00pm EDUC 8 12:30pm GOV 4 4:00pm NAT RES 7	21 9:00am ADMIN/REV BUILD M. 11:00am HESS 4 11:30am * ADMIN 3 12:00pm CORR 5 3:00pm Fish & G 4	22 12:00pm COURTS 6 1:30pm DEC 7 2:30pm LABOR 5 3:30pm CED 4	23	24 10:00am DOT 8 10:30am PUBLIC SAFETY 2	25 26
27 10:00am GOV SUB-C 5 12:00pm Educ 9 4:00pm NAT RES 8	28 11:00am HESS 5 12:00pm CORR 6 3:00pm Fish & G 5	29 8:00am REV 4 12:00pm COURTS 7 2:30pm *LABOR 6 3:30pm CED 5	30 10:30am PUBLIC SAFETY 3 11:30am DMVA 2 11:30am LAW 3 1:30pm DEC 8 1:30pm DOE s-sub comm 16		

October 1999

October 1999

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31						

November 1999

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28	29	30				

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
				October 1 9:00am * GOV 7 10:00am DOT 9 2:00pm UNIV AK 1	2 3
4 12:00pm EDUC 10 4:00pm NAT RES 9	5 11:00am HESS 6 11:30am *ADMIN 4 12:00pm CORR 7 3:00pm Fish & G 6 4:00pm LEGIS 1+1=2	6 8:00am REVENUE 5 9:00am GOV 6 10:00am UNIV 8 12:00pm COURTS 8 2:30pm LABOR 9 3:30pm CED 6	7 10:30am *PUBLIC SAFETY 4 11:30am LAW 4 1:30pm ss AVEC 17 3:00pm ss PUBLIC ASST 13	8	9 10
11 11:00am ss HESS/DFYS 22 12:00pm EDUC 11 1:30pm DEC 9 3:30pm ss HESS 24 4:00pm NAT RES 10	12 11:00am HESS 7 12:00pm CORR 8 3:00pm Fish & G 7	13 9:00am GOV 8 10:00am UNIV AK 2 12:00pm COURTS 9 2:30pm LABOR 8 3:30pm CED 7	14 10:30am PUBLIC SAFETY 5 11:30am DMVA 3 11:30am LAW 5	15 10:00am *DOT (5 flr.) 10 11:30am ADMIN 5 1:00pm DOT Workshop 15	16 17
18 HOLIDAY	19 9:30am ss Medical Assistance 9 11:00am HESS 8 11:30am DMVA 4 12:00pm CORR 9 3:00pm Fish & G 8	20 9:00am ss Medical Assistance 10 10:00am UNIV AK 3 12:00pm COURTS 10 2:30pm LABOR 9 3:30pm CED 8	21 10:30am PUBLIC SAFETY 6 11:30am * LAW 6 fl 6 1:30pm DEC 10	22 11:00am ss Jt Juv Justice, Menl 11	23 24
25 11:00am CED 9 12:00pm EDUC 12 4:00pm NAT RES 11	26 11:00am H&SS 12	27 10:00am UNIV AK 4	28 9:00am FC: REV 4 11:30am LAW 7 1:30pm DEC 11	29 10:00am DOT 11 11:00am H & SS 23 1:30pm CED 10	30 31

November 1999

November 1999

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21	22	23	24	25	26	27
28	29	30				

December 1999

S	M	T	W	T	F	S
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
November 1	2	3	4	5	6
11:00am ss HSS (DFYS, Juveni 20 12:00pm EDUC 13	11:00am H & SS 14 3:00pm F & G 9	10:00am UNIV AK 5 12:00pm COURTS 11 12:30pm LAW 8	9:00am FC: CORR/LABOR/DE(5	9:00am ss REV - AHFC (310 K 10:00am *DOT (6th FL) 12 1:30pm CED 11	6
8	9	10	11	12	13
8:30am DOT 14 11:00am ss HESS (DFYS, Juve 21	11:00am H & SS 15 1:30pm CED 12	9:00am FC: LEG/ADMIN/COUI 6 10:00am UNIV AK 6	VETERANS DAY	10:00am *DOT (6th FL) 13 10:30am DPS 8 11:00am ss Joint Juvenile Justi 18 1:00pm ss PUBLIC HEALTH (H 19 1:30pm ss CED AK RR 1 3:00pm *ss CED - HYDRO (6 1 3:00pm F & G 11	14
15	16	17	18	19	20
12:00pm EDUC 14 1:30pm CED 13 3:00pm HYDRO 2	10:30am DPS 7 11:00am H &SS 16 3:00pm F & G 10	1:30pm *AK RR (6TH FL) 2 3:30pm *HYDRO (6TH FL) 3	9:00am FC: CED/DOT/DNR/LA 7	3:30pm HYDRO 4	21
22	23	24	25	26	27
10:00am UNIV AK 7 1:30pm AK RR 3	11:00am H & SS 17	8 9:00am FC: EDUC/HESS/DPS/ 1:30pm DEC 12 3:00pm AK RR 4	THANKSGIVING		28
29	30	FC: 10			
3:00pm AK RR 5 12/1	9 9:00am FC: DMVA/REV:AHFC/	AK RR 6			

December 3 1999

Debbie,

Here's a list of the subcommittees by department, including names of the subcommittee members.

Please use this list to make up the Certificates of Appreciation.

Also attached is a list of the departmental liaisons. They should get separate letters acknowledging their co-operation.

Privatization Commission
Departmental Contacts

DEPT	NAME	WK PHONE	FAX	EMAIL
ADFG	Bosworth, Robert	465-6140	465-2332	RobertB@fishgame.state.ak.us
ADFG	Bruce, Geron	465-6143	465-2332	Geron_bruce@fishgame.state.ak.us
ADFG	McDowell, Mary	789-6160	789-6170	mary_mcdowell@cfec.state.ak.us
ADM	Elgee, Allison	465-2200	465-2135	Allison_Elgee@admin.state.ak.us
CED	Wolf, Greg	269-8115	269-8125	Greg_Wolf@commerce.state.ak.us
CORR	Richards, Bruce	269-7394	269-7390	Bruce_Richards@correct.state.ak.us
COURT	Wooliver, Doug	264-8265	264-8291	Dwooliver@courts.state.ak.us
DEC	Siroky, Mary	465-5298	465-5274	Msiroky@envircon.state.ak.us
DHSS	Anderson, Stacey -Alt	465-3030	465-3068	
DHSS	Clarke, Janet	465-3030	465-3068	Janet_Clarke@health.state.ak.us
DHSS	Lindstrom, Elmer	465-1613	465-3068	Elmer_Lindstrom@health.state.ak.us
DMVA	Chase, Jim	428-6854	428-6019	Jim_Chase@ak_prepared.com
DNR	Rutherford, Marty	269-8431	269-8918	Marty_Rutherford@dnr.state.ak.us
DOE	Rehfeld, Karen	465-8650	465-3452	Karen_Rehfeld@educ.state.ak.us
DOTPF	Parkan, Kurt	465-6977	586-8365	Kurt_Parkan@dot.state.ak.us
DPS	Smith, Del	465-4322	465-4362	Delbert_Smith@dps.state.ak.us
GOV	McConnell, Annalee	465-4660	465-3008	Annalee_McConnell@gov.state.ak.us
LABOR	Perkins, Dwight	465-2700	465-2784	Dwight_Perkins@labor.state.ak.us
LAW	Kasson, Joan	465-5370	465-2075	Joan_Kasson@law.state.ak.us
LEGIS	Pam Varni	465-3800	465-3234	Pamela_Varni@legis.state.ak.us
REV	Owen, Dana	465-2302	465-2389	Dana_Owen@revenue.state.ak.us
UAA	Redman, Wendy	474-7984	474-7570	Wendy.redman@alaska.edu

COMMISSION ON PRIVATIZATION
VOLUNTEER ADVISORY COUNCIL PANELS

ADFG	Treadwell	Mead	343-2216	343-2211	258-7764	Institute of the North, APU	meadwell@alaska.net		0	0	0	0
ADFG	[redacted]	[redacted]	[redacted]	0	0		0		0	Mat-Su	0	0
ADFG	Aspelund	Sue	424-3447	424-3430	424-4339	Cordova District Fisherman United	cdfu@ptialaska.net		0	Cordova	0	0
ADFG	[redacted]	[redacted]	[redacted]	465-2332	0	Department of Fish & Game - Contact Individual	0		0	Juneau	0	0
ADFG	Brice	Tom	456-7423	451-9293	0	Alaska State Legislature - House	Representative_Tom_Brice@legis.state.ak.us		0	Fairbanks	0	
ADFG	[redacted]	[redacted]	[redacted]	465-2332	0	Dept of Fish & Game -Primary Contact Individual	garon_bruce@fishgame.state.ak.us		0	Juneau	0	0
ADFG	Burke	John	225-9605	225-1348	225-0625	United Fisherman's /SE Regional AquaCulture	johnbsarpa@worldnet.att.net		0	Ketchikan	0	0
ADFG	Daugherty	Amy	463-2568	463-1538	0		0 amy_daugherty@hotmail.com		0	Juneau	0	0
ADFG	Fields	Duncan	486-8835	488-6393	0		0 dfields@ptialaska.net		0	Kodiak	0	0
ADFG	Judkins	Cliff	373-3591	373-3592	0	AK. Boating Assoc.	cjudkins@customcpu.com		0	Mat-Su	0	0
ADFG	Kelly	Dale Ms.	586-9400	586-4473	0	United Fisherman's	0		0	Juneau	0	0
ADFG	Kemper	Steve	244-2243	688-8833 call	688-8833	President, Christian Sportman's Assn.	arowalinor@aol.com		0	0	0	0
ADFG	Knowles	Bruce	745-4965	745-4965 call	232-5873	Big Fisherman Charters	bigfish@matnet.com		0	Palmer	0	0
ADFG	Madsen	Stephanie	586-6366	586-4618	0	Pacific Seafood Processors	apca@alaska.net		0	0	0	0
ADFG	McDowell	Mary	789-6160	789-6170	0	Dept of Fish & Game -Contact Individual: Limited Entry	mary_mcdowell@cfec.state.ak.us		0	0	0	0
ADFG	Norosz	Kris	772-4294	772-4472	772-3520	Icicle Seafoods	krisn@icicleseafoods.com		0	Petersburg	0	0
ADFG	Patterson	Jeff	522-8368	522-8383	440-3201	Alaska Recreational Mgmt, Inc.	bicpatterson@yahoo.com		0	Cooper Landing	0	0
ADFG	[redacted]	[redacted]	[redacted]	278-0685	0		0		0	0	0	0
ADFG	Simpson	Pat	563-3474	563-3442	345-5007	Sci Fishery Systems	scifish@alaska.net		0	0	0	0
ADFG	Strong	Ed	276-3735	276-3740	0	The Accessory Shop (Mechanic at Merrill Field)	0		0	0	0	0
ADFG	[redacted]	[redacted]	[redacted]	0	0	Kodiak Fishery	0		0	0	0	0
ADFG	Blessington	Bill	688-3959	688-3959	0	McBratney Killorom & Blessington	bbless@sinbad.net		0	Anchorage	AK	0
ADFG	0	0	0	0	0		0		0	0	0	0
ADFG	0	0	0	0	0		0		0	0	0	0
ADM	Henri, Esq.	Joe	279-1493	279-4785	333-7505	South Central Timber Development, Inc.	scid@alaska.net		0	Anchorage	0	0
ADM	Allen	Bill	459-2100	451-7274	0	Doyon Properties	allenb@doyon.com		0	Fairbanks	0	0
ADM	Coghill	Jack	488-6116	488-6992	0	Lt.Gov.	N/A		0	Fairbanks	0	0
ADM	Cottrell,cpa	David	278-8878	278-5779	345-8392	Mikunda Cottrell & Co.	dcottrell@mcc-cpa.com (Sandy)		0	Anchorage	0	0
ADM	[redacted]	[redacted]	[redacted]	465-2135	0	Dept of Admin - Individual Dept Contact	Allison_Elgee@admin.state.ak.us		0	Juneau	0	0
ADM	Fox Worthington	John	261-6430	261-6520	0	CTG Information Technology Services	john.worthington@ctg.com		0	Fairbanks	0	0
ADM	[redacted]	[redacted]	[redacted]	456-8031	0		0 ranchmotel@mosquitonet.com		0	Juneau	0	0
ADM	Hochstein	Spence	273-1635	273-1699	562-6137	Michael Baker Jr., Inc.	shockstein@mbakercorp.com		0	Anchorage	0	0
ADM	Liston	Donn	463-4977	463-4950	0	ASEA	donnl@asea.ino.mxmail.com		0	Juneau	0	0
ADM	Martone	Paul	349-7506	349-4396	0	AT Publishing	atpub@alaska.net		0	Anchorage	0	0
ADM	McLeod	Andree	561-8595	561-3757	561-8595		0 mcleodak@alaska.net		0	Anchorage	0	0
ADM	Nelson	Dale	258-5755	258-5766	276-3411	CCI, Inc. 230-5416 cell#	nelsonce@concentric.net		0	Juneau	0	0
ADM	Norman	Janelle	565-6245	565-3288	248-1045	North Mail, Inc	alaskamail@customcpu.com	5720 B St		Anchorage	AK	99518
ADM	[redacted]	[redacted]	[redacted]	463-3489	0	Exec. Dir., Juneau Chamber of Commerce	juneauoc@ptialaska.net		0	Anchorage	0	0
ADM	Quinn	Lewis	777-1500/244-1730	777-1515	777-1500	Capital Office Supply	lquinn@capital-office.com		0	0	0	0
ADM	Rowe	Jim	563-4000	562-3776	0	ATA	0		0	Anchorage	0	0
ADM	Springer	Carl	269-5566	269-6084	269-5566	DMV and APEA	Carl_Springer@admin.state.ak.us		0	Anchorage	0	0
ADM	Stewart	Scott	277-7555	277-9295	338-2155	Arctic Controls, Inc.	sstewart@arcticcontrols.com		0	Anchorage	0	0
ADM	[redacted]	[redacted]	[redacted]	279-7171	0	Public Employees Local 71 AFLCIO	local71@alaska.net		0	0	0	0
ADM	Wagner	Tom	586-8011	586-8012	0		0 tewagner@alaska.net		0	Juneau	0	0
ADM	Wakefield	Gerri	272-7878	274-5270	0	Auto Title Services of Alaska	gwakeats@greatland.net		0	Anchorage	0	0
ADM	Wayne	Dan	586-2770	586-6333	0	Attorney at Law	danwayne@gci.net	326 4th Street Suite B		Juneau	AK	99801
ADM	0	0	0	0	0		0	0		0	0	0
ADM	0	0	0	0	0		0	0		0	0	0
ADM	0	0	0	0	0		0	0		0	0	0
ED	Johnson	Craig	762-1944/242-6380	563-4744	0	AK Journal of Commerce	0		0	0	AK	0
ED	Wareham	Lee	688-2540	688-4009	229-0306	International Path Finder	chwancak@aol.com	24865 Teal Loop		Eagle River	AK	99577
ED	Anderson	Chris	274-2739	277-1033	344-7590	Glacier Brewhouse Restaurant	canderson@glacierbrewhouse.com	737 West 5th Avenue		Anchorage	AK	99501
ED	Crawford	Jim	263-0722	263-0799	0	City Mortgage	crawfordj@citymortgagealaska.com	0		0	AK	0
ED	Davidge	Rick	373-9045	373-9089	0	Community Planner	rdavidge@ci.wasilla.ak.us	0		0	AK	0
ED	Fox	Dale	277-5706	277-5700	248-6295	Chenega Corporation	dfox@chenegacorp.com	4000 Old Seward #101		Anchorage	AK	99503
ED	Furman	Gene	345-1755	345-6281	0	CPA	furmco@alaska.net	3500 Spinnaker Drive		Anchorage	AK	99516
ED	Haxby	John	345-6800	345-0311	248-6040	Waukesha Alaska Corporation	john@acim.com	PO Box 111098		Anchorage	AK	99511
ED	Holmes	J.D.	745-8506	745-7557	0	Alaska Energy Products, Borough Assembly	jdholmes@postman.net	0		0	AK	0
ED	Kim	Henry	258-1234	258-4949	0	Topex Industries	topexinc@aol.com	7640 King St		Anchorage	AK	99518
ED	Leary	Linda	276-7797	278-7301	244-3774	Carlile Enterprises	lleary@carlilelaw.com	1800 E. 1st Avenue		Anchorage	AK	99501
ED	Levi	Steve	440-7444/337-2021	337-4485	0	Parsnackle	afsci@alaska.net	0		Anchorage	AK	99501
ED	Nichols	Mel	562-2000 x 205	801-838-0486	250-0483	DOWL	mnichols@dowl.com	0		0	AK	0
ED	Ripley	Justin	245-0900	245-0300	248-8787	Alaska Tour & Travel	justin@2alaska.net	PO Box 221011		Anchorage	AK	99522
ED	Rouse	Steve	258-2878	276-7255	244-6421	MAKE IT ALASKA, Inc.	makeitak@alaska.net	0		Anchorage	AK	0
ED	Sanders	Jim	269-4591	269-4539	0	ASEA	jim_sanders@dced.state.ak.us	0		0	AK	0
ED	Schlotfeldt	Dennis	452-3663	456-6803	0	Pacific Movers	pacificmovers@mosquitonet.com	0		Fairbanks	AK	0
ED	Schroer	Don	272-5666	277-1964	0		0	0 dons3ak@gci.net		1331 Bannister	Anchorage	AK
ED	Smirnoff	Steve	349-5481	522-1489	0	Transmart Corp	bahamas@alaska.net	3581 Kachemak Circle		Anchorage	AK	99515
ED	Smith	Don	276-4325	276-2500	229-7079	Alaska Native Directory	aknregister@prodigy.net	2400 Spenard Rd #1		Anchorage	AK	99503
ED	Southall	Bob	265-7118	265-7175	0	Hilton Anchorage	bob_southall@hilton.com	500 West 3rd Ave		Anchorage	AK	99501
ED	Thomas	Kathryn	776-5515	776-5132	0	Alaska State Chamber of Commerce	seociuno@ptialaska.net	Box 3005		Kenai	AK	99611
ED	[redacted]	[redacted]	[redacted]	[redacted]	0	Dept of Commerce - Individual Dept Contact	0	0		Kenai	AK	0

12/3/99 10:59 AM

CED	Wuerch	George	563-2737	561-3793		0	Municipality of Anchorage	wuerch@alaska.net		0	Anchorage	AK	0
CED	Zong	Ken	278-1700	278-1994	727-1174		Pan A Travel	pan-a@customcpu.com	3020 Minnesota Drive		Anchorage	AK	99503
CED		0	0	0	0	0		0	0	0	0	0	0
CED		0	0	0	0	0		0	0	0	0	0	0
CED		0	0	0	0	0		0	0	0	0	0	0
ARRC	Wareham	Lee	688-2540	688-4009	229-0306		International Path Finder	clwancak@aol.com		0	0	0	
ARRC	Cottrell,cpa	David	278-8878	278-5779		0	Mikunda Cottrell & Co.	dcottrell@mcc-cpa.com (Sandy)		0	Anchorage	AK	
ARRC	Furman	Gene	345-1755	345-6281			CPA	furmco@alaska.net				0	
ARRC	Haxby	John	345-6800	345-0311	248-6040		Wausheka Alaska Corporation	john@actm.com		0	0	0	
ARRC	Sanders	Jim	269-4591	269-4539		0	ASEA	jim_sanders@dced.state.ak.us		0	0	0	
ARRC	Schroer	Don	272-5668	277-1964		0		0 dons3ak@aci.net	1331 Bannister		Anchorage	AK	
ARRC	Thomas	Kathryn	776-5515	776-5132		0	Alaska State Chamber of Commerce	ascciuno@ptialaska.net		0	0	0	
ARRC	Wilson	Samantha	277-1127	278-2538			sdwmoney@alaska.net	#REF!		0	0	0	
ARRC		0	0	0	0	0		0	0	0	Fairbanks	AK	
ARRC		0	0	0	0	0		0	0	0	0	0	
HYDRO	Wareham	Lee	688-2540	688-4009	229-0306		International Path Finder	clwancak@aol.com		0	0	0	
HYDRO	Carlson	Dave	772-4203	772-9287	772-3765			0 dcarlson@alaska.net		0	0	0	
HYDRO	Friesen	Tom		225-0568	225-4905			0	0	0	0	0	
HYDRO	Sapp	Walt	486-6990	486-2441	486-3386		Cell: 528-6743	wsapp@ptialaska.net		0	0	0	
HYDRO	Wilkinson	Robert	822-8340	822-5586	822-3112		Copper Valley Electric	wilkinson@cves.org	PO Box 45		Glennallen	AK	
HYDRO	Yould	Eric	561-6103	561-5547	745-8367		ARECA Cell: 441-7483	eric@areca.org	703 W Tudor Rd		Anchorage	AK	
HYDRO	Laufer	Keith	269-3000	269-3044	345-9090		Alaska Energy Authority	klaufer@aidea.org	480 W Tudor Rd		Anchorage	AK	
HYDRO		0	0	0	0	0		0	0	0	0	0	
HYDRO		0	0	0	0	0		0	0	0	0	0	
LORR	Anderson	Sharon	229-5324		0	696-0007	Health Information Institute	fishhatc@alaska.net		0	0	0	0
LORR	Dyson	Fred	694-6683	694-1015		0	House of Representatives - State of Alaska		0	0	Eagle River	0	0
LORR	Lewis	Russell	258-0106	258-5519	276-0123		Oles Morrison Rinker & Bathcer	lewis@oles.alaska.com		0	0	0	0
LORR	Miller	Barbara	376-5636	376-5609		0	Miller Investments		0	0	Wasilla	0	0
LORR	Pate, Esq.	Mary	279-0930	279-0933		0	Elde & Miller		0	0	0	0	0
LORR	Pease	Greg	780-3011	780-4098		0	Gastineau Human Services	ghs@ptialaska.net		0	Juneau	0	0
LORR	Perrin	Keith	337-1979	337-1753		0	Bus. Mgr.,PSEA		0	0	0	0	0
LORR	[redacted]					0		0	0	0	0	0	0
LORR	[redacted]				333-4415		Department of Corrections - Department Contact	Bruce_Richards@correct.state.ak.us		0	Anchorage	0	0
LORR	Schubert	Gail	222-7100	222-7198	244-8711		Foster, Pepper, Rubini & Reeves	schug@foster.com		0	0	0	0
LORR	Tipton	Mel	279-7654	278-0685	274-0215		Tipton Development	0	0	0	0	0	0
LORR	Utterback	Greg	274-6667	274-3625		0	Cornell Corrections- 713-596-2117	gutterback@cornellcorrections.com		0	0	0	0
LORR	Ward	Jerry	269-0106	269-0109		0	Alaska State Legislature - Senate	Senator_Jerry_Ward@legis.state.ak.us		0	0	0	0
LORR	Warren	Garland	276-7211	279-7171	333-8774		Public Employees Local 71	71garlan@pobox.alaska.net		0	0	0	0
LORR		0	0	0	0	0		0	0	0	0	0	0
LORR		0	0	0	0	0		0	0	0	0	0	0
LORR		0	0	0	0	0		0	0	0	0	0	0
COURT	Harris	Joyce	456-8702	456-8702 call	456-8702		Court Visitor Services	frznorth@gci.net		0	Fairbanks	AK	0
COURT	Jarvi	"B"	458-8850	458-8960	457-1500		Professional Guardian Services Corp	jarvi@ptialaska.net		0	Fairbanks	AK	0
COURT	Adams	Al	465-3707	465-4821		0	Alaska State Legislature - Senate	Senator_Al_Adams@legis.state.ak.us		0	Juneau	AK	0
COURT	Gibson	Susan	262-1840	262-6163	262-4853		Paralegal	0		0	Kenai	AK	0
COURT	Leon	Edward	229-1042	243-6061	243-5337		The Leon Company	edleon@alaska.net		0	Anchorage	AK	0
COURT	Peavyhouse	Ken	333-4881	N/A	333-4881		N/A	pvhouse@alaska.net		0	Anchorage	AK	0
COURT	Rogers, M.D.	Don	349-9104	522-5405	349-9104			0 N/A		0	Anchorage	AK	0
COURT	Rollins	Charles	488-9030	488-9030 call	488-9030		Fairbanks North Slope Borough	chuck@mosquitonet.com		0	Fairbanks	AK	0
COURT	Tamagni	Al	522-3108	562-1366		0		0 alamagni@alaska.net		0	Anchorage	AK	0
COURT	VanHatten	Colleen	488-4524	488-2822	488-4023		Alaska Contracting & Consulting	acc@mosquitonet.com		0	Fairbanks	AK	0
COURT	[redacted]						Alaska Court System - Contact	dwooliver@courts.state.ak.us		0	Anchorage	AK	0
COURT		0	0	0	0	0		0	0	0	0	0	0
COURT		0	0	0	0	0		0	0	0	0	0	0
COURT		0	0	0	0	0		0	0	0	0	0	0
DEC	Norton	Virgil	776-5481/250-9694	278-6291		0	Contractor	0		0	Kenai	0	0
DEC	[redacted]					0	Doyon Properties	allenb@doyon.com		0	Fairbanks	0	0
DEC	Andress, PE	Gus	283-9003	283-8118		0		0	0	0	0	0	0
DEC	Brookman	Jerry	283-9329	283-7180		0	Oil Spill Prevention & Response Comm. PWSRC		0	0	Kenai	0	0
DEC	Bucklin	Keith	561-1911 x110	561-4650		0	Audio/Video, Inc.	kbucklin@avianc.com		0	0	0	0
DEC	[redacted]					0	Dept of Environ Conserv - Department Contact	mconway@envircon.state.ak.us		0	Juneau	0	0
DEC	[redacted]					0	VP, Trident Seafoods	douvaderi@alaska.net		0	0	0	0
DEC	Gilfillan, PE	Bob	277-2021	274-8683		0	Gilfillan Engineering & Environmental Testing, Inc.	bob_gilfillan@ge2t.com		0	0	0	0
DEC	Hampton	Paul	278-2551	277-9736		0	CH2M Hill	phampton@ch2m.com		0	0	0	0
DEC	[redacted]				333-0372		Kuskokwim Corporation	mch@kuskokwim.com		0	0	0	0
DEC	High, PE	Dee	344-1385	344-1383		0	DHI Consulting Engineers	0		0	0	0	0
DEC	Homer	Greg	257-5000	257-5007		0	Ecology & Environment, Inc	ghomer@ene.com		0	0	0	0
DEC	Lawrence	Bill	463-4870	463-4871		0	Environmental	0		0	Juneau	0	0
DEC	Madsen	Stephanie	586-6366	586-4619		0	Pacific Seafood Processors	smadsen@pacseafish.net		0	0	0	0
DEC	Magee, PE	Greg	248-8883	248-8884		0	Montgomery Watson, PEPP	gregory.magee@mw.com		0	0	0	0
DEC	McCorkle	Vern	276-4373	279-2900		0	Publisher, Alaska Business Monthly	publisher@akbizmag.com		0	0	0	0
DEC	[redacted]					0	Greenstar (Environment in Business)	greenstr@alaska.net		0	0	0	0

DEC	[redacted]	[redacted]	[redacted]	488-2822		0	Alaska Contracting & Consulting		0	0	Fairbanks	0	0
DEC	0	0	0	0	0		0	0	0	0	0	0	0
DEC	0	0	0	0	0		0	0	0	0	0	0	0
DEC	0	0	0	0	0		0	0	0	0	0	0	0
DHSS	Andress	Kathy	283-9003	283-9118		0	Bio Cycle Alaska	wellness@alaska.com		0	Kenai	0	0
DHSS	Taurianen	Mike	262-4624	262-5777	262-4489		Northern Test Lab	mtcenti@alaska.net		0	Soldotna	0	0
DHSS	Andrews	Mark	452-8251 x3177	459-3953	474-8063		Tanana Chiefs	mandrews@tananachiefs.org		0	Fairbanks	0	0
DHSS	Caswell	Lynn	276-5590	258-1091	688-4284		Catholic Social Services	lcaswell@css.ak.org		0	0	0	0
DHSS	[redacted]	[redacted]	[redacted]	[redacted]	789-3741		Dept Health & Social - Dept Contact	Janet_Clarke@health.state.ak.us		0	0	0	0
DHSS	Derr	Laraine	586-1790	463-3573		0	AK Hospital & Nursing Home Assoc.		0	0	Juneau	0	0
DHSS	Eldridge	Barry	283-7152	283-7152	398-7811		Barry Management	bridgebb@ptialaska.net		0	Juneau	0	0
DHSS	Foutz	Paul	272-1196	272-4850	561-0048		O'Connor & CO., P.C.		0	0	Kenai	0	0
DHSS	Hagevig	Rosemary	463-6151	586-9018		0	Catholic Community Services, Exec Director	rosemaryhagevig@ccsjuno.com		0	0	0	0
DHSS	[redacted]	[redacted]	[redacted]	[redacted]	833-0372		Kuskokwim Corporation	mch@kuskokwim.com		0	0	0	0
DHSS	Keller	Wes	694-6683	694-1015	376-6115		Representative Dysons Office - SOA		0	0	0	0	0
DHSS	Kibby, Esq.	Richard	563-0373	563-5063		0			0	0	Juneau	0	0
DHSS	[redacted]	[redacted]	[redacted]	[redacted]		0	Dept Health & Social - Dept Contact		0	0	Eagle River	0	0
DHSS	Lorenz	Clyde	457-7106	456-6245	457-7106		Families First	Rynnieva_Moss@legis.state.ak.us		0	0	0	0
DHSS	Majewske	Marie	333-0717	N/A		0	North East Community Center	nonoinak@aol.com		0	Juneau	0	0
DHSS	Maltman	David	269-8991	269-8995		0	HESS	david_maltman@health.state.ak.us		0	Fairbanks	0	0
DHSS	Moss	Rynnieva	456-5081	456-6245	488-6583		Rep Coghill	Rynnieva_Moss@legis.state.ak.us		0	0	0	0
DHSS	O'Neil	Gloria	265-5917	265-5996	230-0346		CEO, Cook Inlet Tribal Council	goneill@citci.com		0	0	0	0
DHSS	Price	Mike	276-2700	0	0				0	0	0	0	0
DHSS	Short	Sarah	561-5976	562-8630		0	Families First	skyler@alaska.net		0	0	0	0
DHSS	Trafford Calder	Scott	474-0174	456-8245	474-0174		Safe Families Inc.	Rynnieva_Moss@legis.state.ak.us		0	0	0	0
DHSS	Villamides	Sylvia	258-6538	258-6526		0	Anchorage Neighborhood Health	silvjay@anhc.org		0	0	0	0
DHSS	Vitale	Vincent	276-7576	258-7030		0	Attorney At Law	fistluxnorth@aol.com		0	Fairbanks	0	0
DHSS	0	0	0	0	0		0	0	0	0	0	0	0
DHSS	0	0	0	0	0		0	0	0	0	0	0	0
DHSS	0	0	0	0	0		0	0	0	0	0	0	0
DMVA	Nelson	Chris	269-0219	269-0221	258-3994		Joint Armed Services Committee - State Leg.	Chris_Nelson@legis.state.ak.us	716 W. 4th Ave #540		Anchorage	AK	99501
DMVA	[redacted]	[redacted]	[redacted]	[redacted]		0	Military & Veterans Affair - Dept Contact	Jim_Chase@ak_prepared.com		0	0	0	0
DMVA	Dietz	Don	343-6200	277-5636	337-1258		Muni of Anchorage - Port of Anchorage	dietz@ci.anchorage.ak.us	2000 Anchorage Port Rd	Anchorage	AK		99501
DMVA	Doherty	Len	276-1090	N/A		0		0	N/A	0	0	0	0
DMVA	Good	Mary	333-5814	N/A		0	USPS Analysist	graves@sarvcom.com		0	0	0	0
DMVA	Graves	Roger	343-6203	277-5636	337-1934		Port of Anchorage		0	2000 Anchorage Port Rd	Anchorage	AK	99501
DMVA	Sullivan	Casey	269-0174	269-0177		0	State Legislature - Rep Murkowski	Casey_Sullivan@legis.state.ak.us		0	0	0	0
DMVA	Walsh	Bob	269-0272	269-0273	248-2574		State of Alaska - Legislature	Robert_Walsh@legis.state.ak.us	716 W. 4th Ave	Anchorage	AK		99517
DMVA	Ward	Jerry	[redacted]	[redacted]		0	Alaska State Legislature - Senate	Senator_Jerry_Ward@legis.state.ak.us		0	0	0	0
DMVA	0	0	0	0	0		0	0	0	0	0	0	0
DMVA	0	0	0	0	0		0	0	0	0	0	0	0
DMVA	0	0	0	0	0		0	0	0	0	0	0	0
DNR	MarkAnthony	Leo	279-4702	279-4702		0	UA Mining retired		0	2020 Lake Otis Pkwy	Anchorage	AK	99508
DNR	Anderson	Ron	244-6449	248-4476		0	Administrator, ret.	goldmine@arctic.net		0	0	0	0
DNR	Ashlock	Hugh	344-2581	349-2411		0	Dimond Center, U.S. Forestry Park Mgmt.		0	0	0	0	0
DNR	Moss	Del	488-6583	456-8245		0			0	0	Fairbanks	0	0
DNR	Motznik	Bob	344-6254	344-1759	345-6747		Motznik Computer Svcs.	sales@motznik.com		0	0	0	0
DNR	Noble P.E.	Steve	562-2000	563-3953		0	DOWL Engineers		0	0	0	0	0
DNR	Reiman, Esq.	Rob	258-1132	277-7126	344-4683		Law office of Robert K. Reiman	reiman@gci.net		0	0	0	0
DNR	Ruedrich	Randy	277-9747	277-9748	227-3031		Arctic E&P Advisors	rareso@customcpu.com		0	0	0	0
DNR	[redacted]	[redacted]	[redacted]	[redacted]		0	Dept Natural Resources - Dept Contact		0	0	0	0	0
DNR	Schmidt P.E.	George	243-0644		0	243-0644	Retired Engineer		0	0	0	0	0
DNR	Swanson, PE	John	273-1600	273-1699		0	Michael Baker,Jr. Inc.	jswanson@mbakercorp.com		0	Kenai	0	0
DNR	Tasker	Eric	243-7245		0	243-7245		0 ewt@micronet.net		0	0	0	0
DNR	Thomas	Kathryn	776-5515	776-5132		0	Alaska State Chamber of Commerce	asccluno@ptialaska.net		0	0	0	0
DNR	Urich	Dale	258-0722	278-6291		0	Dale Urich & Assoc.	daleurich@bloplanet.com		0	0	0	0
DNR	Wilcox P.E.	Don	277-5906	277-3296		0		0		0	0	0	0
DNR	0	0	0	0	0		0	0		0	0	0	0
DNR	0	0	0	0	0		0	0		0	0	0	0
DNR	0	0	0	0	0		0	0		0	0	0	0
DOE	Hickel	Jim	441-3999/276-5822	258-1055		0		0		0	0	0	0
DOE	[redacted]	[redacted]	[redacted]	[redacted]		0	Alaska State Legislature - Senate	Senator_Al_Adams@legis.state.ak.us		0	0	0	0
DOE	0	0	0	0	0		0	0		0	0	0	0
DOE	Chana	Sharon	269-0190	269-0193		0	Alaska State Legislature - House	Representative_Sharon_Cissna@legis.state.ak.us		0	0	0	0
DOE	[redacted]	[redacted]	[redacted]	[redacted]		0	Anchorage Christian Schools, Secondary Principal •		0	0	0	0	0
DOE	Coghill	Bob	479-3909	479-2215		0	Fairbanks Schoolboard Member	rcoghill@mosquitonet.com		0	Fairbanks	0	0
DOE	Coghill	John	456-5081	456-8245		0	Alaska State Legislature - House	Representative_John_Coghill@legis.state.ak.us		0	Fairbanks	0	0
DOE	Evans	Don	245-3144	245-3184		0	Educational Resources, Inc.	edres@alaska.net		0	0	0	0
DOE	Fisher	Paul	283-5811	262-4902		0	Kenai Assembly		0	0	0	0	0
DOE	[redacted]	[redacted]	[redacted]	[redacted]		0	Teacher at Mt. Edgecumbe	gastinc@aol.com		0	0	0	0
DOE	Henderson	JoAnn	907-586-6806	907-463-3811		0	South East Regional Resource Ctr.	Joannh@akrac.k12.ak.us		0	0	0	0
DOE	[redacted]	[redacted]	[redacted]	[redacted]		0	Waldorf Education Assoc.	ddalaska@aol.com		0	0	0	0
DOE	Kronberg	Rich	274-0536/229-7661	274-0551	344-9264		President, Anchorage Education Assn.	Rkronberg@aol.com or kronberg@gci.net		0	Anchorage	0	0

DOE	Moss	Rynnieva	456-5081	456-8245		0	Rep. Coghill's Staff		0	0	Fairbanks	0	0	
DOE	Murphy	Tom	[redacted]	[redacted]		0	Koniag Education Department, Exec Director	kef@alaska.net		0	Anchorage	0	0	
DOE	[redacted]	[redacted]	[redacted]	[redacted]		0			0	0	0	0	0	
DOE	Owen	Marvin	279-8481	279-6315		0	Pastor, First Baptist Church, Anchorage	mowen@alaska.net		0	0	0	0	
DOE	[redacted]	[redacted]	[redacted]	[redacted]		0	Dept of Education - Dept Contact		0	0	Juneau	0	0	
DOE	Walters	Jeff	456-4435	456-2159	457-3876		School teacher for public school system	fea@alaska.net		0	Fairbanks	0	0	
DOE	Williams	Bonnie	455-6652	455-6652		0			0	0	Fairbanks	0	0	
DOE		0	0	0	0	0			0	0	0	0	0	
DOE		0	0	0	0	0			0	0	0	0	0	
DOE		0	0	0	0	0			0	0	0	0	0	
DOT/PF	Dillon	Frank	276-1149cell 223-6549	274-1946	278-0403		Alaska Trucking Association	frank@alaskatruckingassoc.com		0	0	0	0	
DOT/PF	Kito III	Sam	271-1425/267-6389	271-1415		0	Acrtic Slope Consulting Group former PEPP Pres.	sam_kito@asrc.com		0	0	0	0	
DOT/PF	Ashton	Jim	452-5024	456-1771		0	Local 71, Fbx Bs.Rep.	LOCAL71F@alaska.net		0	0	0	0	
DOT/PF	[redacted]	[redacted]	[redacted]	[redacted]		0			0	0	Juneau	0	0	
DOT/PF	Brooks	Al	276-7833	277-9736	345-0027		CH2M Hill	abrooks@ch2m.com		0	0	0	0	
DOT/PF	Christopherson	Alan	561-1011	563-4220	250-7402		PN&D Engineering Consultants	A_Christopherson@PND-ANC.com		0	0	0	0	
DOT/PF	DeaJarlais	Jerry	344-2644	349-5472	276-0278		Summit Paving	summit@arctic.net		0	0	0	0	
DOT/PF	[redacted]	[redacted]	[redacted]	[redacted]		0			0	0	0	0	0	
DOT/PF	Glenzer	Glen	258-1191	258-7606	258-1191		Glen Glenzer	holenzer@oci.net		0	0	0	0	
DOT/PF	Griffin	Bob	337-4848 / 244-3416	279-6626		0	Bob Griffin		0	0	0	0	0	
DOT/PF	Hamilton	Mike	266-2460	266-2494		0	Local 71	mike_hamilton@dot.state.ak.us		0	0	0	0	
DOT/PF	Hochstein	Spence	273-1635	273-1699	562-6137		Michael Baker Jr., Inc	shochstein@mbakercorp.com		0	0	0	0	
DOT/PF	Lindahl	Andy	561-6660	562-0180	223-6202		NAPA Auto Parts	Sales_Dept._Anchorage@genpt.com		0	0	0	0	
DOT/PF	Maloney	Tom	762-1505	762-1595	345-4583		RTX / Veco	Tom.Maloney2@veco.com		0	0	0	0	
DOT/PF	Meehan	Tom	562-2000	563-3953		0	DOWL Engineers	tmeehan@dowl.com		0	Anchorage	0	0	
DOT/PF	[redacted]	[redacted]	[redacted]	[redacted]		0			0	0	0	0	0	
DOT/PF	Parkan	Kurt	[redacted]	[redacted]		0	Dept of Transportation - Dept Contact	Kurt_Parkan@dot.state.ak.us		0	Juneau	0	0	
DOT/PF	Ryan	Pat	243-6694	243-6694 call		0			0	0	0	0	0	
DOT/PF	Springer	Henry	561-5354	562-6118	561-5354		AGC of Alaska	agc_ak@ibm.net		0	0	0	0	
DOT/PF	Wells	Steve	441-6200	265-7391	245-2128			0 swells@alaska.net		0	0	0	0	
DOT/PF	Wilson	Marie	562-2124	562-0473	561-5059		Warning Lits. Alaska		0	0	0	0	0	
DOT/PF	Young	Thomas	460-1992	488-1648	490-6902		The Spink Company	pah1@ptialaska.net		0	0	0	0	
DOT/PF		0	0	0	0	0			0	0	0	0	0	
DOT/PF		0	0	0	0	0			0	0	0	0	0	
DOT/PF		0	0	0	0	0			0	0	0	0	0	
DPS	Luper	Deborah	694-7700	694-7760	223-0500		Consultant	dluper@aol.com		0	0	0	0	
DPS	Barrett	Dick	777-3884	777-3886		0	1st National Bank of Anchorage		0	0	0	0	0	
DPS	Gunn	Victor	456-8161	451-9293		0	Sen. P. Kelly	Victor_Gunn@legis.state.ak.us		0	0	0	0	
DPS	[redacted]	[redacted]	[redacted]	[redacted]		0	LTR Training	survival@alaska.net		0	0	0	0	
DPS	Hume	Hal	479-6724	479-6777	479-6777		Retired State Trooper	hmh@alaska.net		0	0	0	0	
DPS	Rollins	Chuck	480-6414		0	0	Parks Department, Fairbanks North Slope Borough	chuck@mosquitonet.com	4016 Birch Lane		Fairbanks	AK		99709
DPS	Smith	Del	465-4322	465-4362		0	Dept of Public Safety - Department Contact		0	0	Fairbanks		0	0
DPS	[redacted]	[redacted]	[redacted]	[redacted]		0	Public Employees Local 71 AFLCIO	local71@alaska.net		0	Juneau		0	0
DPS	Williams	Dave	455-7742	455-6652	455-6652		Former Military Policeman	dwilms@mosquitonet.com		0	0	0	0	
DPS	Yekopetz	Jay	746-9218	269-5465	745-1248		APEA	jay_yekopatz@dps.state.ak.us	1335 Sunny Slope Rd		Fairbanks	AK		99709
DPS		0	0	0	0	0			0	0	0	0	0	
DPS		0	0	0	0	0			0	0	0	0	0	
DPS		0	0	0	0	0			0	0	0	0	0	
GOV	Ross	Wayne	276-5307	276-6672	346-2697		Ross & Miner, Law Office	waralaska@aol.com		0	0	0	0	
GOV	[redacted]	[redacted]	[redacted]	[redacted]		0	Doyon Properties	allenb@doyon.com		0	Fairbanks	0	0	
GOV	Anderson	Tom	276-5307	276-6672		0	Ross & Miner		0	327 E Fireweed Lane		Anchorage	AK	99503
GOV	Frost	Jack	563-9147	562-9257	441-3381		Frost & Friends	jfrost@customcpu.com		0	0	0	0	
GOV	Hall	Gregory	862-6262	694-6324	694-6324		Eagle River Endeavors	rdiamond@arctic.net		0	0	0	0	
GOV	Hochstein	Spence	273-1635	273-1699	562-6137		Michael Baker Jr., Inc.	shockstein@mbakercorp.com		0	Anchorage	0	0	
GOV	Martens	Pauline	276-8616	562-0283		0	Property Manager	afrw@alaska.net		0	Anchorage	0	0	
GOV	Martin	Terry	333-6990	N/A	333-6990		N/A	0		0	0	0	0	
GOV	[redacted]	[redacted]	[redacted]	[redacted]		0	State Farm Ins.	amat586.aol.com		0	0	0	0	
GOV	[redacted]	[redacted]	[redacted]	[redacted]		0	Office of the Governor - Contact Individual		0	0	Juneau	0	0	
GOV	McLeod	Andree	561-8595	561-3757		0		0 mcleodak@alaska.net		0	0	0	0	
GOV	[redacted]	[redacted]	[redacted]	[redacted]		0	First National Bank of Anchorage	jcase@alaskalife.net		0	North Pole	0	0	
GOV	Prax	Mike	488-2400	488-2600	488-2400			0 morax@oci.net		0	0	0	0	
GOV	[redacted]	[redacted]	[redacted]	[redacted]		0		0	0	0	0	0	0	
GOV	Woerner	Paul	338-1216	338-1216	338-1216		N/A	pwoer@aol.com		0	0	0	0	
GOV		0	0	0	0	0			0	0	0	0	0	
GOV		0	0	0	0	0			0	0	0	0	0	
GOV		0	0	0	0	0			0	0	0	0	0	
LABOR	Baffone	Valerie	276-7211	279-7171	349-1178		Local 71	71val@pobox.alaska.net		0	0	0	0	
LABOR	[redacted]	[redacted]	[redacted]	[redacted]		0	Alaska State Legislature - House	Representative_John_Cowdery@legis.state.ak.us		0	Anchorage	0	0	
LABOR	[redacted]	[redacted]	[redacted]	[redacted]		0	Plumbing & Heating		0	0	Juneau	0	0	
LABOR	DeaJarlais	Jerry	344-2644	349-5472	529-9111		Summit Paving	summit@arctic.net		0	0	0	0	
LABOR	[redacted]	[redacted]	[redacted]	[redacted]		0	Dept of Labor - Dept Contact	dwight_perkins@labor.state.ak.us		0	Juneau	0	0	
LABOR	Slack	Kay	746-3060	746-6678		0	K. Slack Associates	kayslack@alaska.net		0	Palmer	0	0	

LABOR	Smith	Clark	868-2239	349-1605	563-3090	Aurora Electric	camith@auroraelec.com		0	0	0	0
LABOR	Spalding	Jim	761-9218	761-9349	0	Matanuska Electric Association	avalon6@aol.com		0	0	0	0
LABOR	Watterson	Bill	563-7441	563-7222	243-3280	Watterson Construction	wcc@alaska.net		0	0	0	0
LABOR	0	0	0	0	0	0	0		0	0	0	0
LABOR	0	0	0	0	0	0	0		0	0	0	0
LABOR	0	0	0	0	0	0	0		0	0	0	0
LAW	Johnson	Mark	346-3850	N/A	0		0 baito@corecom.net		0	0	0	0
LAW	Brandt-Erichsen	Scott	228-6635	247-6625	0	Ketchikan Gateway Borough	borpatty@ktn.net		0	Ketchikan	0	0
LAW	Call	Blake	274-7522	263-8320	0	Hughes, Thorness, Powell, Huddleston & Bauman	bhc@htlaw.com		0	0	0	0
LAW	Cowdery	John	269-0222	269-0223	0	Alaska State Legislature - House	Representative_John_Cowdery@legis.state.ak.us		0	Anchorage	0	0
LAW	[redacted]	[redacted]	[redacted]	[redacted]	0	Dept Of Law - Department Contact	Joan_Kasson@law.state.ak.us		0	Juneau	0	0
LAW	Kinneen	Pete	279-3323	243-7679	727-3323	Litigation Support Services	mcveighrichard@netscape.net		0	Wasilla	0	0
LAW	McVeigh	Richard	373-8035	373-8036	0	0	0	0	0	0	0	0
LAW	Oberly	William	276-8500	258-7282	0	0	santame@hotmail.com		0	Fairbanks	0	0
LAW	Rollins	Betty	488-9030	488-6614	488-6614	Paralegal, founder Badger Safe Water Assn.	lowrs@mosquitonet.com		0	Fairbanks	0	0
LAW	Satterberg	Bill	452-4454	452-3968	0	Lawyer	0		0	Juneau	0	0
LAW	Weyhrauch	Bruce	463-5566	0	0	0	crc@chugach.net	733 West 4th Ave Suite 6	Anchorage	AK		99501
LAW	0	0	0	0	0	0	0	0	0	0	0	0
LAW	0	0	0	0	0	0	0	0	0	0	0	0
LAW	0	0	0	0	0	0	0	0	0	0	0	0
LEG	Knudson	Kip	248-4422	266-8383	244-1920	ERA Aviation, Dir of Marketing	politely@alaska.net		0	0	0	0
LEG	Duke	Kim	267-3600	267-3156	0	Ak Petrol. Contractors	kim_duke@natchiq.com	6700 Arctic Spur Rd	Anchorage	AK		99518
LEG	English	Candi	265-6276	0	0	ARCO/ Prudhoe Bay	canolish@mail.arco.com	0	0	0		0
LEG	Fenerty	Harriet	345-6448	345-6448	0	Events Planning	0	2330 Innes Circle	Anchorage	AK		99515
LEG	Hanley	Mark	563-9519	563-9464	0	Anadarko Petroleum Corp	mark_hanley@anadarko.com	3201 C St Suite 603	Anchorage	AK		99503
LEG	Hawker	Mike	346-3142	346-3142	250-6003	Michael C Hawker, CPA	mhawker@ptialaska.net	PO Box 111329	Anchorage	AK		99511
LEG	Heatwole	Mike	276-6353	276-1042	0	Bradley Reid	mike.heatwole@brcomm.com	1840 S. Bragaw #200	Anchorage	AK		99508
LEG	Hendrickson	Ed	263-4980	263-3748	0	ARCO	ehendri@mail.arco.com	700 G Street Suite 920	Anchorage	AK		99501
LEG	Norquist	Cindy	265-2153	265-2701	0	NBA	aksnoflake@aol.com	PO Box 113011	Anchorage	AK		99501
LEG	[redacted]	[redacted]	[redacted]	[redacted]	0	Legislative Affairs - Contact Individual	pam_vami@legis.state.ak.us	130 Seward St #313	Juneau	AK		99801
LEG	0	0	0	0	0	0	0	0	0	0	0	0
LEG	0	0	0	0	0	0	0	0	0	0	0	0
LEG	0	0	0	0	0	0	0	0	0	0	0	0
REV	Pease	MaryAnn	297-3097	297-3153	345-6322	Alaska Communications System	mpease@akcomsys.com		0	0	0	0
REV	Barry	Mike	344-2581	349-2411	243-4039	Dimond Center	mbdcmail@aol.com		0	0	0	0
REV	[redacted]	[redacted]	[redacted]	[redacted]	278-2535	0	adwrmoney@alaska.net		0	0	0	0
REV	Duszynski	Terry	479-3324	479-9319	479-3324	Duszynski & Assoc	tduszynski@compuserve.com	0	Fairbanks		0	0
REV	Griffith	Joe	762-4740	762-4514	696-1868	Chugach Electric	joe_griffith@chugachelectric.com	0	0		0	0
REV	Hoffman	Buz	357-3101	357-3102 call	357-3101	0	buz@GCI.net	0	Wasilla		0	0
REV	Main	John	269-6832	787-3135	345-2161	APEA	M.TAKAHASHI@NETSCAPE.NET	0	0		0	0
REV	[redacted]	[redacted]	[redacted]	[redacted]	243-2999	GCI	fmcouserv@GCI.com	0	0		0	0
REV	[redacted]	[redacted]	[redacted]	[redacted]	0	Department of Revenue - Dept Contact	0	0	Juneau		0	0
REV	Roberts	Leisa	265-6092	265-1515	696-0624	ARCO, Alaska	lroberts3@mailarco.com	0	0		0	0
REV	[redacted]	[redacted]	[redacted]	[redacted]	276-8503	Century 21 Crawford Real Estate	crawford@aol.com	0	0		0	0
REV	Steinberg	Leonard	258-2000	258-2001	272-3763	Brena Bell & Clarkson	lsteinberg@brenalaw.com	0	0		0	0
REV	Timmons	Gerald	456-7195	455-8885	455-7195	Timmons Contracting, Inc.	gtimmons@ptialaska.net	0	Fairbanks		0	0
REV	[redacted]	[redacted]	[redacted]	[redacted]	0	Municipality of Anchorage	wuerch@alaska.net	0	0		0	0
REV	0	0	0	0	0	0	0	0	0	0	0	0
REV	0	0	0	0	0	0	0	0	0	0	0	0
REV	0	0	0	0	0	0	0	0	0	0	0	0
VAA	Frasca	Cheryl	258-2331	258-2332	240-8923	0	cfrasca@alaska.net	2415 La Honda Drive	Anchorage	AK		99517
VAA	[redacted]	[redacted]	[redacted]	[redacted]	0	Doyon Properties	alanb@doyon.com	714 4th Avenue Suite 302	Fairbanks	AK		99501
VAA	[redacted]	[redacted]	[redacted]	[redacted]	0	The Andrews Group	gandrews@teodfa.com	2627 C Street	Anchorage	AK		99503
VAA	Brice	Tom	456-7423	451-9293	0	Alaska State Legislature - House	Representative_Tom_Brice@legis.state.ak.us	119 N Cushman St #205	Fairbanks	AK		99701
VAA	Curwen-Boyles	Rhonda	456-1997	451-7894	0	Fairbanks Chamber of Commerce	akwend@ptialaska.net	1859 Airport Way	Fairbanks	AK		99701
VAA	Fink	Tom	279-2522	279-2566	0	0	0	1350 W. 23rd Ave	Anchorage	AK		99503
VAA	Fredricks	Jan	274-7232	274-9524	0	Small Business Development Center	anjaf@uaa.alaska.edu	430 West 7th #110	Anchorage	AK		99501
VAA	Jensen	Wayne	586-1070	586-3959	364-2474	Jensen Yorba Lott, Inc. Architects	wayne@jensenyorbalott.com	522 West 10th St	Juneau	AK		99801
VAA	[redacted]	[redacted]	[redacted]	[redacted]	0	ARCO - FBKS	sporter@mail.arco.com	122 First Ave Suite 102	Fairbanks	AK		99701
VAA	Price	Wayne	562-6644	562-6641	227-4872	Energy Masters International	k.wayne.price@emasters.com	#REFI	Anchorage	AK		99508
VAA	[redacted]	[redacted]	[redacted]	[redacted]	0	University of Alaska - Contact Individual	wendy.redman@alaska.edu	PO Box 755000	Fairbanks	AK		99775
VAA	Usera	Nancy	563-4567	561-4857	0	AK USA Federal Credit Union	n.usera@alaskausa.org	6610 Lakeway Drive	Anchorage	AK		99502
VAA	Wallace	Chick	456-8000	456-8329	0	0	chick@mosquitonet.com	522 W 10th St	Juneau	AK		0
VAA	Wilson	Tom	337-7123	332-0030	0	0	awrdh@alaska.net	3820 Lake Otis	Anchorage	AK		99504
VAA	0	0	0	0	0	0	0	0	0	0	0	0
VAA	0	0	0	0	0	0	0	0	0	0	0	0
VAA	0	0	0	0	0	0	0	0	0	0	0	0

FINDINGS AND RECOMMENDATIONS TO THE GOVERNOR AND THE LEGISLATURE

Pursuant to CSSB33, the Commission on Privatization and Delivery of Government Services makes the following report. CSSB33 states that the annual cost of state government is exceeding the annual revenue and that our commission is to study government services and make determinations along the following lines;

1. Services that should be eliminated.
2. Services that ought to be contracted out to private organizations.
3. Services that ought to be performed by local government or regional service organizations.
4. Services that ought to be performed by the federal government.
5. Services that ought to be consolidated for efficiency purposes.
6. Services that can most effectively and efficiently be delivered by the state.

This commission appointed 20 subcommittees to review the various elements of state government. There were about 250 people active on these subcommittees. Each subcommittee returned a report and, in the aggregate, made 291 recommendations for changes. The commission considers most of the recommendations to be very valid and ought to be followed by the state government.

In an attempt to zero in on a limited number of those recommendations, each commissioner was asked to prepare a list of recommendations that he or she wanted to take up in the full committee. The committee then took up, discussed, and voted upon those recommendations that each committee member put forward during our meeting. The commission members did not put forward all of the items which were listed on each of their personal privatization recommendations list.

The following 19 recommendations received majority approval of the commission members:

(List 19 recommendations)

Also attached to this report are the individual commissioner's list of recommendations, a list of the 291 recommendations made by all the subcommittees with the backup material, a copy of each of the subcommittee's full report, and a list of the subcommittee members and chairmen.

We did not vote on all the subcommittees' recommendations as time did not permit a full review. The Privatization Committee did meet with each of the subcommittees to receive their written and oral reports.

We recommend that the administration and the legislature follow through on the recommendations of this commission and that the appropriate legislative committees review all of the recommendations of the subcommittees.

This commission expires on January 1, 2000, but all the members of this commission and the members of the subcommittees are available to the legislature or the Governor.

Cowdery

Ward

Clearinghouse
State International Policies
Southern Growth Policies Board • Vol. 10, No. 2 • February/March 2000

Latest News

Dear Faithful Reader:

We are updating our distribution list. With few exceptions, only those people who specifically request it will receive future issues of this publication. (Board and associate members of the Southern Growth Policies Board will continue to receive it automatically.) In addition, we are beginning to transition from a print version to an online version. Hard copies will remain free, at least for the time being, but we would like to offer our readers an electronic alternative. **To continue receiving this newsletter, please provide the information requested on the back page.** You may mail or fax it as indicated, or you may e-mail the information to *cconway@southern.org*. You can also call (919) 941-5145.

U.S. Subsidiaries Creating U.S. Jobs

According to a new report from the Washington-based Organization for International Investment, U.S. subsidiaries of international companies now employ 5.3 million people in the United States, and reinvest almost half their earnings back into U.S. operations. According to the report, *American Jobs*, employment in these companies has increased by as much as 60 percent in the past 10 years.

International Student Exchange Growing

The most recent issue of *Open Doors*, an annual report on international educational exchange, indicates there were 490,933 international students in the United States during the 1998-99 academic year, up 2 percent over last year's total. The report goes on to say that international education contributes $13 billion to the U.S. economy. The most heartening news, however, is that the number of U.S. students studying abroad was 113,959 in 1997-98, the most recent year available — a remarkable 15 percent more than the previous year.

Wisconsin Initiative Aims to Create a Global Generation

Program profile

There is a shortage of workers and managers with international skills and experience. In the past, U.S. exporters could hire talented immigrants and foreign nationals to staff their international sales efforts. But now that a significant share of U.S. businesses are involved in global trade, they are feeling the pinch. And the need for international talent extends beyond a single sales manager position; modern business requires all kinds of workers and managers to communicate directly with customers and develop products with partners around the world.

Wisconsin is one state that has tackled this educational deficit head-on. Although most of its initiative focused on changing the educational system, the governor turned first to his trade and commerce leaders for guidance. The initiative was jointly funded by the Commerce Department and the University of Wisconsin; an insurance company donated $50,000 for dissemination of the report.

Mary Regel, the state's trade director, participated in the initiative and is an enthusiastic supporter of the outcomes and process.

Background

In the fall of 1997, Gov. Tommy Thompson called on his Wisconsin International Trade Council to form a task force "to study our international education programs to ensure that young people throughout Wisconsin are properly trained and prepared to become the first truly global generation."

One of the co-chairs of the Task Force on International Education was Milton Neshek of Kikkoman Foods Inc. The other was Roger Axtell, noted author and lecturer on foreign business etiquette. (Perhaps as a result of his work with the task force, and the governor's desire to see its recommendations implemented, Axtell was recently appointed to the Board of Regents for the University of Wisconsin.) Twenty-five leaders from business,

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The Clearinghouse is a project of the Southern International Trade Council, an advisory body to the Southern Growth Policies Board, formed to address the complex challenges and enormous opportunities presented by the rapid globalization of the South's economy. For more information about this newsletter, direct inquiries to Carol Conway at (919) 941-5145 or e-mail cconway@southern.org.

... *Program Profile, continued from page 1*

government and academia served on the task force, including Regel, and more than 100 more served on its seven committees.

The task force held that "tomorrow's citizens must be globally literate and linguistically capable." Beyond basic literacy, people must be able "to use and adapt to technology and be capable of leading healthy lives." Specifically, people need to be "geographically informed, media savvy, computer literate, technically skilled, artistically communicative, comfortable in relationships with other cultures, and proficient in a language besides English." The task force set forth the additional goal of active involvement by the business community, which has a huge stake in workforce readiness.

The task force adopted 45 recommendations from the committee reports. Highlights follow.

Ramp Up and Diversify Study Abroad

Programs such as study abroad are the single most effective way to globalize the minds of both students and teachers. This holds true whether the program is for one week or a full semester.

Accordingly, the task force recommended that funds from the public and private sectors be used to allow a significantly larger number of students and teachers to travel and study overseas. More than that, the task force wanted diversity. Those currently involved in study abroad programs are disproportionately white, female and humanities majors. To do this, the task force recommended creating the Wisconsin International Scholars program, which would use state general-purpose funds to give grants of $1,000 to four types of recipients:

- Economically disadvantaged post-secondary students.
- K-12 students and accompanying teachers.
- Teachers in training, to complete their student teaching in a foreign country.
- Current teachers.

The task force also suggested an incentive to businesses in the form of a $1,000 tax credit for each student they sponsor to participate in an internship experience overseas, provided it was through an approved school.

Bolster Sister City/State Relationships

Wisconsin, like other states, has a mix of active and inactive sister relationships. In addition to setting the goal of boosting the number of relationships to the national average, the task force sought to make them more sustainable. Its report noted that while Wisconsin's relationships are maintained largely by volunteers, other countries tend to have government as a partner. The state's Commerce Department was recommended as the lead entity to achieve this goal.

Increase Foreign Language Proficiency

The task force report cited research showing that learning a language early develops specific regions of the brain and affects many skills beyond communication. While foreign-language enrollments have never been higher in the state — over half of all students in grades six through 12 are in a class — this was judged inadequate. Only 4 percent of Wisconsin college graduates have genuine foreign-language proficiency, which means the vast majority of graduates fail to qualify for the best new international jobs. In addition, only 10 percent of the state's elementary schools offer foreign-language classes, the age when it is best to develop true fluency.

Wisconsin has several elementary schools that offer immersion programs, but the task force recommended that 200 such schools offer those programs by 2015. The report also recommended that:

- K-12 schools create plans for foreign-language education.
- Elementary school teachers be encouraged to learn a second language.
- Foreign language proficiency be a graduation requirement.

To help keep these goals on track, the task force also recommended creating and staffing a permanent Governor's Council on World Languages for Wisconsin Citizens.

Other

The task force was comprehensive in its assessment of the state's international education needs. A major portion of the report dealt with increasing the state's information technology systems to allow Internet access to every home and business in Wisconsin. Another section addressed the need for increased awareness by citizens of their role in a global economy, better access to trade services for businesses, training students for jobs in international trade and internationalizing the curricula beyond social studies. And still other recommendations called for capitalizing on the skills and connections that foreign students and workers bring to the state.

Results

The task force report, *How to Create a Global Generation in Wisconsin for the 21st Century,* was presented to the governor in May 1998. According to Regel, all stakeholders have given it a warm reception. "The universities have just run with it," she said.

The task force estimated full implementation would cost at least $3 million to $5 million per year over the next five years.

Increased funding for the recommendations is likely to be gradual, but the report received total bipartisan support in the legislature. The legislature has passed a bill allocating $1.5 million for need-based study-abroad scholarships for University of Wisconsin undergraduates. The first few grants have already been awarded.

Similarly, new support is being directed to the development of the state's Internet system for education. One example is the allocation of $350,000 to develop a distance-learning program for K-12 foreign language instruction. Other initiatives are under discussion, but nothing is concrete yet.

But one of the most important results has been a new level of cooperation between universities and the technical colleges and between universities and the state trade office. The task force deliberations offered a unique opportunity for people to get to know each other. Similarly, the state trade office supports the Sister State efforts by helping to coordinate delegation visits, and in so doing is able to capitalize on the connections.

For more information, contact Mary Regel, director of international trade, at (608) 266-1767 (mregel@commerce.state.wi.us), or William Steiger, point person for the initiative out of the Governor's Office (william.steiger@gov.state.wi.us).

Early Returns

Midwestern States Take a Collaborative Approach to Trade Development through Event for Region's Exporters

A number of Midwestern states already share overseas trade offices under the auspices of the Council of Great Lakes Governors. They now have a second vehicle for trade cooperation — the Midwestern Governors' Conference (MGC) of the Council of State Governments.

In June 1997, the governors formed the Midwestern Economic Development Cooperation Council (MEDCC) as a subsidiary body of the MGC. MEDCC was established to create more effective economic-development efforts through regional cooperation, and to identify opportunities at the federal level to enhance economic development in the region.

MEDCC's member states are Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio and Wisconsin. North Dakota and South Dakota are members of MGC but have not appointed representatives to MEDCC. Each member state is represented on MEDCC by a top commerce official.

MEDCC quickly set up three working groups in trade, tourism and workforce development. The International Trade Working Group consists of a top trade officer from each state. MGC Assistant Director Ilene Grossman and an MGC policy analyst serve as staff. Administrative support is provided as needed.

It was 1998 before the working groups started meeting. The International Trade Working Group has had conference calls and sometimes meets face-to-face in Chicago. There is no formal mission statement or structure, but their charge is to suggest projects for approval by the MEDCC and to implement them.

To start the process, Indiana's trade director and chairman of the International Working Group, Carlos Barbera, informally polled the other members on their interests. The group decided on two initiatives:

- A small-scale effort to educate state legislators via regular meetings of the Midwestern Legislative Conference (an organization that is also staffed by the CSG Midwestern office) through techniques such as "table topic" discussions.
- A major U.S.-based networking event for the region's exporters.

The Strategy: Export via U.S. Shows

Whereas most states promote business networking exclusively through overseas trade events, the working group decided to test the efficacy of promotion through domestic shows.

After hearing presentations from several show organizers they targeted the National Manufacturing Week show at McCormick Place in Chicago, managed by Reed Exhibitions. That event, March 13-17, will attract about 60,000 attendees. In recent years the show has attracted some 1,500 international business participants.

Before making the final commitment, Grossman and Barbera visited the show to check it out for themselves and ask questions of the participants. Most of the people they encountered said they would be interested in attending an international business reception. Barbera also spoke with state trade staff in Pennsylvania and Illinois, states that have some experience marketing through domestic shows. (National Manufacturing Week's Chicago show is an annual event and Illinois business officials had already been using the show to access buyers for some time.)

This year the Chicago show has the added feature of certification under the U.S. Department of Commerce's International Buyers Program. Such certification triggers recruitment support from overseas offices of the U.S. Commerce Department, and commits Reed Exhibitions to set up an international business center with space for meetings. Show organizers also pledge to provide orientation for foreign visitors. "The International Buyers Program certification was essential," Barbera says. Since most state trade offices are very busy, the working group wanted to try something that required little additional staff time. In this situation, most of the hard work of recruitment is already done. MGC staff manage most of the logistics.

The Details

The actual networking will take place at a 1½-hour reception in the show complex, right after the show floor closes on the first night. Guests pay no fee. Each state is contributing $3,500 toward expenses and can invite up to 50 U.S. business people to participate.

States can easily build their invitation list from the directory of those registered for the show. All foreign participants will receive an invitation, and Grossman has been recruiting additional participation from the foreign consuls in Chicago.

Each state will have a designated area, tables and chairs, signs and access to translators. The international buyers will have a directory so they can know who is going to be there and where to find them at the reception.

All in all, the cooperation of Reed Exhibitions has been crucial to successful planning of the event. According to Grossman, the show organizers have gone out of their way to be accommodating.

Next Steps

This is a pilot effort, so no one can predict how it will work out. But Barbera says all participating businesses will be surveyed to gauge results, such as whether they obtained trade leads, met people they would not have otherwise encountered or established good dialog. If the event is judged a success, the working group is likely to consider repeating it, or considering another collaborative venture.

For more information, contact Ilene Grossman at (630) 810-0210 or at igrossman@csg.org.

Fact Sheet

State Overseas Trade Offices – A Network of Commercial Advocates

An overseas presence is essential for acquiring fresh intelligence about foreign market opportunities, meeting potential buyers and handling the logistics of moving people, products and ideas in and out of a country. This is true not only for multinational corporations, but for small firms, too. That is why most states have a network of personnel overseas. As South Carolina's secretary of commerce, Charlie Way, puts it, "State foreign offices are an indispensable tool in export trade development. Having someone represent our businesses' interests on a day-by-day basis is critical, especially when you're 8,000 miles away."

States have an average of more than four overseas offices each — six if you eliminate the states that have no offices at all. (See Table 1.) This is up from a decade ago, despite fiscal crunches that put a halt to rapid growth in state trade budgets.

Table 1

State Overseas Offices, Selected Years

Year	Total Number	Average Per State
2000	233	4.5
1990	163	3.1
1988	129	2.5
1986	62	1.2
1984	54	1.0

Source: NASDA *State Exporter Database* and U.S. Department of Commerce

Impressive as it is, it still does not approach the scale of the federal government. The U.S. Department of Commerce has commercial offices in 174 locations overseas. State and federal offices provide similar but not identical services. Both search for trade leads, match exporters with agents and distributors and handle the logistics of delegation visits. But many state trade offices are there to provide more tailored and rapid service in high-demand markets, and many also handle investment recruitment, which the federal offices do not.

Trends in State Overseas Offices

1. **Growing by sharing.** Indiana has 12 overseas offices, five of which are shared with other states. "Let's face it," says Indiana's trade director, Carlos Barbera, "demands on us are ever increasing, but governments aren't getting any bigger." Under the umbrella of the Council of Great Lakes Governors, the Midwestern states are experimenting with an array of shared offices, and may account for much of the apparent rise in total state overseas offices in the past few years. (See the Clearinghouse profile of the shared office phenomena in the December-January 1999-2000 issue.)

   Multistate isn't the only form of office sharing. Kentucky's Mexico office is jointly funded by the Cabinet for Community

Table 2

Number of State Overseas Offices, by Regions

	South	West	Northeast	Midwest	Total
Asia	30	27	10	25	92
Japan	10	9	4	10	33
Taiwan	5	8	0	3	16
China	5	2	3	5	15
Korea	4	6	2	3	15
Singapore	2	1	1	2	6
Malaysia	2	0	0	0	2
Vietnam	2	0	0	0	2
Indonesia	0	1	0	0	1
Australia	0	0	0	1	1
Thailand	0	0	0	1	1
The Americas	32	10	11	19	72
Mexico	13	8	3	7	31
Canada	4	0	3	3	10
Brazil	4	0	2	4	10
Chile	4	1	1	3	9
Argentina	2	1	2	2	7
Domin. Rep.	1	0	0	0	1
Panama	1	0	0	0	1
Costa Rica	1	0	0	0	1
Venezuela	1	0	0	0	1
Colombia	1	0	0	0	1
Europe	17	11	8	16	52
Germany	7	2	3	4	16
U. K.	4	3	3	1	11
Belgium	4	1	1	4	10
Russia	0	3	0	0	3
Spain	2	0	0	0	2
France	0	1	0	1	2
Hungary	0	0	0	2	2
Netherlands	0	0	0	1	1
Poland	0	0	0	1	1
Norway	0	0	0	1	1
Sweden	0	0	0	1	1
Czech Rep.	0	0	1	0	1
Austria	0	1	0	0	1
Africa/Mid. East	7	2	3	5	17
Israel	4	1	2	2	9
S. Africa	2	1	1	2	6
Ghana	0	0	0	1	1
United Arab Emirates	1	0	0	0	1
Grand Total	86	50	32	65	233

Source: U.S. Department of Commerce Web site, www.tradeinfo.doc.gov, (as of Jan. 5, 2000), and surveys to member states of the Southern Growth Policies Board

Development and the Department of Agriculture. It's also the only Kentucky office abroad focused solely on developing trade.

2. **Getting off the state payroll.** Time zones, exchange rates and high costs of living can make overseas offices very complex and costly to operate and supervise. Many states are therefore moving to contract offices, using foreign nationals or ex-patriate Americans as their representatives. Contract offices can also be virtual — the responsibility of the contract employee.
3. **Focusing on emerging markets.** In 1988, only 14 of the 129 state offices — 11 percent — were off the beaten path. Just four states had offices in Latin America. But by 1990, there were 12 state offices in Latin America and, today, there are 62. In the space of one decade, state offices in Latin America went from representing 7 percent of all state overseas offices to 27 percent. Equally remarkable has been the rise of interest in the Middle East. There was only one state office in the region in 1990, but today there are 17. In addition, state offices in China went from three in 1990 to 15 a decade later. All told, state offices can be found in 38 countries, sometimes in several different cities.
4. **Strategic thinking about trade.** In the 1980s, many office locations were decided based on factors other than the needs of local exporters. Many were placed close to potential investors (e.g., Japan and Europe). Others were started largely because other states were already there, or because the foreign country offered free office space. But many states today are focusing on trade, as opposed to investment recruitment, and they are choosing locations based on the unique characteristics and needs of the state's exporters. Indiana's trade office, for instance, has developed a client base of nearly 2,000 firms and, based on client tracking and annual surveys, knows a lot about the firms, including which have used the overseas offices (about half). Based on this intelligence, trade officials can better judge where to invest in an overseas office.

Caveats and Notes

Not all records are up to date. Most of the data for this article were pulled from the U.S. Department of Commerce Web site at www.tradeinfo.doc.gov. (Click on "trade offices nationwide," then go to the National Export Directory and view the entries by state.) The information in the Web site is collected from a variety of sources, so some is out of date. When we surveyed the state trade offices in Southern Growth Policies Board states, seven of the 15 had corrections. To update information on the Web site, send changes to Hans Huber by e-mail to Hans_Huber@ita.doc.gov, or by fax to (202) 482-4473.

Keep in mind that overseas offices can be very different in portfolio and physical form, making direct comparisons difficult. Further, not all states may report a contract office in surveys.

Finally, a complete chart of the state overseas offices as described in this article is available. We can e-mail you the chart in an Excel spreadsheet if you request it. E-mail requests are preferred, at cconway@southern.org. You may also call Carol Conway at (919) 941-5145 to request a fax version.

Table 3

Number of State Overseas Offices, by Region

	Asia	Americas	Europe	Africa/ Middle East	World Total
Ala.	2	0	1	1	4
Alaska	3	0	2	0	5
Ariz.	2	3	1	0	6
Ark.	2	1	1	0	4
Calif.	5	1	2	2	10
Colo.	1	1	1	0	3
Conn.	3	3	1	0	7
Del.	1	3	1	0	5
D.C.	0	0	0	0	0
Fla.	3	5	2	1	11
Ga.	5	3	1	2	11
Hawaii	0	0	0	0	0
Idaho	3	1	0	0	4
Ill.	2	1	3	0	6
Ind.	5	5	1	1	12
Iowa	1	0	1	0	2
Kan.	2	0	1	0	3
Ky.	1	1	1	0	3
La.	1	1	1	0	3
Maine	0	0	0	0	0
Md.	0	4	0	2	6
Mass.	1	1	1	1	4
Mich.	2	1	0	0	3
Minn.	3	1	6	0	10
Miss.	1	2	1	0	4
Mo.	4	3	2	1	10
Mont.	2	0	0	0	2
Neb.	0	0	0	0	0
Nev.	0	0	0	0	0
N.H.	0	0	0	0	0
N.J.	1	0	0	0	1
N.M.	0	1	0	0	1
N.Y.	1	2	2	0	5
N.C.	2	2	2	1	7
N.D.	0	0	0	0	0
Ohio	2	3	1	1	7
Okla.	0	1	1	0	0
Ore.	3	0	0	0	3
Pa.	4	5	4	2	15
Puerto Rico	0	7	1	0	8
R.I.	0	0	0	0	0
S.C.	2	0	2	0	4
S.D.	0	0	0	0	0
Tenn.	0	0	0	0	0
Texas	0	1	0	0	1
Utah	4	3	3	0	10
Vt.	0	0	0	0	0
Va.	2	1	1	0	4
Wash.	4	0	2	0	6
W.Va.	2	0	1	0	3
Wis.	4	5	1	2	12
Wyo.	0	0	0	0	0
Total	92	72	52	17	233

Source: U.S. Department of Commerce Web site, www.tradeinfo.doc.gov, (as of Jan. 5, 2000), and surveys to member states of the Southern Growth Policies Board

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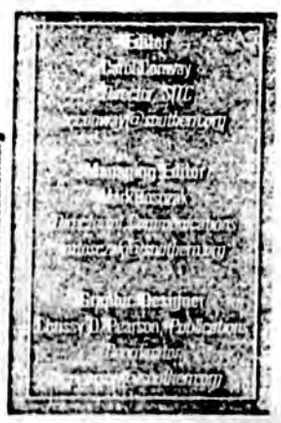
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Consul General
Russian Federation
3581 Kachemak Circle
Anchorage AK 99515-2337

March 3, 2000

Editor
Anchorage Daily News
P.O. Box 149001
Anchorage, Alaska 99514-9001

Dear Sir:

Your editorial "Privatize" in the March 3, 2000, edition of the Daily News is the bunk.

You say: "Privatization Commission members were not bound by the law." Of course they're bound by the law. They are not bound by the narrow confines of the state's conflict-of-interest statutes, but there are certainly other laws covering honesty in public behavior and those certainly apply here.

The fact is, if there is any distrust of this process it is because you and those elements opposed to the privatization process have cooked it up, popularized it, and scattered it like fertilizer in a windstorm. If the smell of ink-by-the-barrel has not totally numbed your senses, you should be ashamed of yourselves.

Yours truly,



althy activities for the next proposed expansion will be dollars. There is no way n lose on this effort.

— John C. Fleming
Anchorage

nt hates quitters

or the Daily News story aid smokers, pro-tobacco March 2) points out a classic ie. The story deals with efiant Philip Morris to fend oking ban in Anchorage by ition options."

e — Philip Morris isn't try-. Their true motive was reernal document: "Smoking st challenge we have ever es from 5% to 21% when onsmoking environment." nows that most smokers en forbid that they actualtter that they smoke until ancer, heart disease or emad about the nonsmokers reathe toxic air on the job). been lying to the American about smoking and second Options" program and the business owners and local med to achieve the compe to keep smoking rates a ere is no other motive.

— Anne Marie Holen
aska Native Health Board

nefits Alaskans

e since long before the Fund was established. ears, our lawmakers have nto the Fund, and eventually they are going to succeed.

Recently the Daily News published a story about a $25,000 final payment being introduced into the Legislature ("$25,000 dividend payment gets cool reception before House committee," March 2). This payout is equal to half of the Fund's value, $27 billion. I agree. I think the idea is great, for several reasons.

There are many people who have come up here from other places specifically because of the Permanent Fund dividend. If they were to receive a lump sum, they would be headed back south to buy the farm or whatever they always wanted but could not afford. This would decrease our population, our welfare, and our school enrollment, thus saving the taxpayers millions of dollars.

I think the disbursement should be 75 percent of the Fund to the people of Alaska. Let the lawmakers have the rest and then sit back and watch them haggle over what they are going to spend it on and how fast they will spend it. It would be interesting.

— Terry N. Clark
Wasilla

Privatization article biased

State government cannot explain how much it costs to deliver government services. That's what I expected beneath the Feb. 28, front-page headline "Fatal flaws claimed in state study."

The most glaring fact emanating from the Commission on Privatization and Delivery of Governmental Services' report is that government cannot assess actual costs to specific services provided.

The commission gleaned that government doesn't account for direct and indirect costs (overhead) in its accounting for services. The privatization concept infers those costs be associated to specific services. That discipline alone brings about efficiency and cost savings before any managed competition takes place.

The reporter decided to taint the many volunteers' work by ignoring the merits of the report and recommendations, and by deciding to provide the critics yet another opportunity to continue undermining the progress of this commission with their vicious prattle. Having been involved, the only sweetheart deal observed was the empowering of average Alaskans as they stepped up to the plate and gratuitously contributed to the process of their government.

You'd think it's important to report that our state government cannot account for the services provided or how inefficiently it collects and spends our money. Maybe then topics like taxes can be taken seriously.

— Andree McLeod
Anchorage

Governor ignores science

Gov. Tony Knowles says wolf management must be based on science. Gov. Knowles says wolf harvests outside of Denali threaten wolf populations in Denali. Gov. Knowles wants to outlaw wolf harvests outside Denali.

Layne Adams is a federal biologist who has studied Denali's wolves for years. Layne Adams' science says wolf populations in Denali are not threatened by wolf harvests outside Denali. Gov. Knowles thumbs his nose at science. Gov. Knowles is playing politics. Please stop pretending, Gov. Knowles.

— Tom Lessard
Chuglak

Wolves not ours to manage

In his 1978 work "Of Wolves and Men," Barry Lopez gives a chilling account of the history between wolves and Caucasians: we have persecuted, tortured and systematically executed wolves in massive numbers, leaving Alaska with some of the last healthy wolf populations in the world.

In Lopez's words, "we do not understand our place in the universe and have not the courage to admit it." Native Americans, on the other hand, have coexisted with wolves for thousands of years. They understand wolves perhaps more deeply than any biologist ever can, and they have historically respected, learned from, and dwelled among wolves.

At the Alaska Wildlife Alliance's March 2 wolf rally, a man who described himself as one of "The First People" spoke from the audience. Among many valuable points, he stated that the wolf control debate centers around money — and therefore around our interests. This is a critical point. We sincerely believe that the wolves are "ours" and that the real question centers around how we will manage them.

I believe the real issue is not how to manage wolves, but how to manage ourselves and recognize our place in this world. We users would do well to learn from history and from the wisdom of "The First People" who understand their own place in this world, as well as the place of wolves.

— Amy Crawford
Anchorage

Subject: On point and distilled
Date: Sat, 04 Mar 2000 09:52:34 -0600
From: Andree-Marie <mcleodak@alaska.net>
To: Marco Pignalberi <Marco_Pignalberi@legis.state.ak.us>

John wanted to see a copy of this letter. This was the original letter that the Daily News censored and printed on Saturday the 4th of March.
Bold is what was left out.

Also, could you cc me on the letter you send to poe from john on how to capture direct and indirect costs with AKSAS. I was officially on the privatization- admin subcommittee and would be very interested in finding out how he will explain away not using AKSAS to its fullest potential of assessing actual costs to services provided, putting aside costs. Budgeting done by defending prior year budgets could become passe.

Thank you for .....well, everything.

Letter to the editor:

State government cannot explain how much it costs to deliver government services. That's what I expected beneath the headline "Fatal flaws claimed in
state study." The most glaring fact emanating from the Commission on Privatization and Delivery of Governmental Services's report is that government
cannot assess actual costs to specific services provided. **Instead, the same rhetoric of sweetheart deals, conflicts of interest and vote packing allegations
from the same people was regurgitated.**
The Commission gleaned that government doesn't account for direct and indirect costs (overhead) in its accounting for services. The privatization concept
infers those costs be associated to specific services. That discipline alone brings about efficiency and cost-savings before any managed competition takes
place. **Rather than realizing to Alaska residents the benefits of this exercise, members of the commission, their families and friends were impugned for the sole purpose of furthering special interests.**
The reporter decided to taint the many volunteers' work by ignoring the merits of the report and recommendations, and by deciding to provide the critics yet
another opportunity to continue undermining the progress of this commission with their vicious prattle.
Having been involved, the only sweetheart deals observed was the empowering of average Alaskans as they stepped up to the plate and gratuitously contributed to
the process of their government. **The only conflict of interest was respecting those with opposing views without attacking their .....uh, character or
integrity. And vote-packing...well, guess that's what some people call it when they don't like the votes' outcome.**
You'd think it's important to report that our state government cannot account for the services provided or how inefficiently it collects and spends our money.
Maybe then topics like taxes can be taken seriously.

BnV.

714 4th Avenue, Suite 302B
Fairbanks, Alaska 99701
Phone: 459-2100
Fax: 451-7274

Doyon Properties, Inc.

Fax

To:	Marco Pignalberi	**From:**	Bill Allen
Fax:	(907) 269-0223	**Date:**	December 6, 1999
Phone:	(907) 269-0222	**Pages:**	37
Re:	Statement of opinion to the Committee on Privatization	**CC:**	

Comments:

Decemember 2, 1999

Dear Commissioner Bill Allen

This is the statement of opinion to the Committee on Privatization of State Printing Services (including UAF). It will mostly bring attention to UAF Printing Services because of its large size and direct impact on the state private sector economy. This is not to exclude, though, DOT facilities and other state printing and copying services.

By the time a 1994 state law corrected the legislative intent regarding state printing, the University of Alaska Fairbanks campus had built up a print shop as large as any other in the Fairbanks area. Since 1994, UAF has managed to subvert state law, to a large extent, aided by a Board of Regents Printing Standards policy. The 1996 Legislative Audit Report took the University to task in this regards.

The committee recognizes the need for in-house duplicating for State agencies, but we question if any agency can operate large scale duplicating and printing facilities as effective as the private sector.

We feel all State printing services should be privatized, including UAF Printing Services as well as DOT printing and copying offices.

Reason #1. As a general rule private sector printing plants are less expensive to operate than government facilities. This includes, but is not limited to, such items government rarely takes into consideration. For example, what about all the fringe benefits (free tuition to students of parents working for UAF), the true cost of space occupied by printing facilities (if this space was used for classroom space wouldn't that be more efficient use of the building?), paying retirement benefits and other such costs.

Reason #2. The intent of the law (HCS CSSB 212) is written to put printing and copying into the hands of the private sector. Quoted from Sec. 44.99.2000 says "The publications of a state agency shall be produced at a private sector facility located in the state when practicable." See attached copy of law.

Reason #3. If students of UAF need on-hands experience and access to modern equipment, it stands to reason that the private sector would be the best place for this. We feel confident that the private sector is willing to cooperate.

Reason #4. The entire process of bidding requires the private sector to be very competitive. The establishment of a sole source print shop does just the reverse. This is a major reason why the legislature generally supports privatization.

Reason #5. There are some procedural problems with UAF Printing Services. The first is that administratively it is under Purchasing and there is the potential for Printing Services seeing bids of private sector shops before bid openings. The second issue is that private sector shops are not awarded state preference points against UAF Printing Services.

Reason #6. Copying services are controlled by UAF Printing Services and are used as a revenue source. This seems to cost other departments extra money in an effort to make UAF Printing Services self-sufficent.

Support for Reason #1

The bidding process through the private sector is the reason the largest printing buyer in the world - the United States Government - established the Government Printing Office. This office does not print, but contracts with printers all over the United States to receive the best product for the best price. The US Government has closed down printing facilities all over the US and the world, to simply save money. If the largest printing buyer in the world does this, why should the State of Alaska or UAF feel they can be more efficient.

As stated in the reason above. We feel that the true costs involved with running a print shop are not always included. We doubt that all fringe benefits are added as expenses. Such costs as free tuition to UAF employees, retirement monies, all travel costs, the true cost of space used by printing plants in state or university buildings (to include heating, utilities, parking space) and equipment amorization are costs that must be included. State government should do what it does best. Let the private sector do what it does best - provide efficient services. So often government builds upon itself and although the process builds a larger government, it certainly does not build a more efficient and cost effective government.

Support for Reason #2.

Prior to 1990 the laws were fairly quiet about the establishment of printing services, but HB75 which was signed June 14, 1990 did spell out that all printing was to be done in a state facility. In discussion with one of the writers of that bill, Senator Drue Pearce, the intent was to specify a private sector facility in the state of Alaska; therefore, the final wording of the bill was in error. The UAF printing services took this as a mandate to increase their facilities and equipment to do the printing for UAF and state agencies.

Then in 1994, the law was corrected to be the intent of the lawmakers. The law says "the publications of a state agency shall be produced at a private sector facility located in the state where practicable." It was obvious that the university was not following these guidelines. A Legislative Audit was ordered and finished on April 16, 1996. Since that time, to the best of our knowledge, jobs over the $2500 threshold have been bid and other arbitrary restictions removed resulting in savings to the University of Alaska. Prior to that audit, jobs were not always bid.

See the attached copy of the Legislative Audit.

One state print shop in Juneau has since been closed, however DOT regional centers still have a full copy shop for their publications. We question this to be within the spirit of the law.

It might be pointed out that the total dollar billing by Printing Services has gone down, demonstrating that it is harder for them to compete with the private sector.

FY 94	$1,056,943.25
FY 95	1,030,203.55
FY 96	999,971.46
FY 97	873,341.12
FY 98	859,891.41

We do not know if this includes copy revenues as well as printing revenues.

UAF Printing Services are mandated to be self-supporting. This is a complicated issue. This committee does not have access to UAF accounting to know how they compute costs.

Support of Reason #3

The University Administration claims the UAF Printing Services is partially justified because of services to UAF students. This committee feels that getting students into the work force and actual job situations would be of greater value than going through UAF Printing Service on campus. A program could be developed with private industry to have the students work with experienced tradesman to achieve desired results. Through casual conversation with past and present UAF print shop employees, we believe the claim that UAF students have an opportunity to learn the printing trade is over-exaggerated. We disagree with the statement that such opportunities are not available from the private sector.

One stated justification for UAF Printing Services is having on campus consulting on design, color and layout from Printing Services. The Private Sector also provides such services.

A companion justification is that of the on-campus network and being able to electronically send files. The private sector printing shops would be more than happy to pick and deliver files and in fact do so now. The private sector has also has internet and other electronic capabilities, also.

Support of Reason #4.

Bidding does provide competition which keeps prices down.

The UAF Subcommittee mentioned that a national company visited the campus three year ago as a potential bidder to operate their plant. To our knowledge, the private sector printing businesses in the Fairbanks area have never been invited to participate in such a study. Why not? No one knows the local economy,sources of supply etc. better than local suppliers.

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Support of Reason #5.

It seems a strange administrative procedure to have purchasing and one of the bidders(UAF Printing Services) both under the same office. This is not to say that UAF Printing Services has prior access to bidding prices, but the issue is certainly a potential conflict of interest. This should be addressed by the current University Administration.

There is a concern, also, when printing bids are awarded by UAF Purchasing, whether the private sector shops that have Class II and III state preferences under the Alaska Bidders Program are being considered. This committee questions if UAF Printing Services is elligible for these preferential points. This certainly could be the difference of awarding a job to the private sector or UAF Printing Services. It is generally understood that if state money is used, then state bidding policies are to be followed.

UAF Purchasing policy currently is that since this is a state facility competing against printing companies within the state, this progam does not apply. However, the private sector printing companies go through a qualifing process to become a member of the program. UAF Printing Service has not gone through this process of being qualified. This committee suggests that all private sector printing companies that are qualified under this program be given these preferential points when bidding against UAF Printing Services or out-of-state private sector printing plants.

Support of Reason #6.

It is this committee's understanding that the UAF Printing Services contols many of the copy machines on campus and charges each user 5.5 cents per copy or 11 cents for a two sided copy. If this is the practice, then it appears that UAF Printing Services is charging more than costs to support their printing plant.

Respectfully submitted,

Committee on Private Sector Printing
Wayne L. Clark, Secretary

Members
Charles L. Gray
Paul J. Massey
Wayne L. Clark

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LAWS OF ALASKA

1994

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Chapter No.
59

AN ACT

Relating to the giving of procurement notices; changing the content of the required procurement reports to the legislature by the commissioner of administration; relating to publications produced by state agencies; establishing an innovative construction procurement methods pilot program; and establishing legislative findings, a legislative purpose, and legislative intent for state procurement; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: May 24, 1994
Actual Effective Date: Section 3 takes effect August 22, 1998; remainder of Act takes effect August 22, 1994

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Chapter 59

AN ACT

Relating to the giving of procurement notices; changing the content of the required procurement reports to the legislature by the commissioner of administration; relating to publications produced by state agencies; establishing an innovative construction procurement methods pilot program; and establishing legislative findings, a legislative purpose, and legislative intent for state procurement; and providing for an effective date.

---

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

(1) the state needs to develop and maintain a strong, stable, and prosperous economy based on private investment;

(2) the existence of a strong and healthy free enterprise system is directly related to the well-being and competitive strength of Alaskan businesses and to the opportunity for Alaskan businesses to have free entry into the business market and to grow and expand;

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(3) the use of products manufactured, grown, or produced in Alaska strengthens, stabilizes, and diversifies Alaska's economy;

(4) when governmental agencies purchase and use out-of-state products and services, they reduce job-creating investments and limit the growth of the economy of Alaska;

(5) contracts are frequently awarded to out-of-state firms, even though Alaskan suppliers, manufacturers, and providers of services are more accessible and responsive to the needs of Alaska's business community than their out-of-state counterparts;

(6) there is a need for Alaska to examine its purchasing practices in order to ensure that state agencies support Alaskan businesses by making every reasonable effort to identify available Alaskan goods and services and to foster bidding by local and resident businesses and labor forces, including union and nonunion labor;

(7) state agencies should look outside Alaska for goods and services only if they have provided notice of the procurement in Alaska.

(b) The legislature declares that the purpose of this Act is to foster a procurement process where Alaskan businesses obtain a fair proportion of Alaska's total procurement contracts by providing Alaskan businesses with a fair, equitable, and competitive bid process.

(c) It is the intent of the legislature that

(1) except as prohibited under AS 36.30.320(d), a state agency shall, when practicable and economically feasible, design procurements in a way that fosters participation by Alaska bidders or offerors;

(2) except as prohibited under AS 36.30.320(d), and unless it is anticipated that two or more Alaska bidders or offerors would be capable of performing the procurement, an agency that is proposing a procurement shall, when practicable and economically feasible, divide or otherwise structure the procurement so that it can be performed by Alaska bidders or offerors, if the proposed procurement is too large to be performed by Alaska bidders or offerors, and if the procurement officer determines that Alaska bidders or offerors generally would be capable of performing the procurement if the procurement were reduced in size or otherwise restructured; in this paragraph, "Alaska bidders or offerors" means persons who qualify as Alaska bidders under AS 36.30.170(b); and

(3) state agencies that procure investment and brokerage services increase the utilization of brokerage and investment services provided by persons located in the state; in

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this paragraph, "state agency" includes the University of Alaska, the Alaska Railroad Corporation, the Alaska Housing Finance Corporation, the Alaska Aerospace Development Corporation, the Alaska State Pension Investment Board, and the Alaska permanent fund established under AS 37.13.010, but does not include the state trustees or federal trustees under AS 37.14.450.

* Sec. 2. AS 36.30.130(a) is amended to read:

(a) The procurement officer shall give adequate public notice of the invitation to bid at least 21 days before the date for the opening of bids. If a determination is made in writing that a shorter notice period is necessary for a particular bid, the 21-day period may be shortened. The determination shall be made by the chief procurement officer for bids for supplies, services, or professional services. The determination shall be made by the commissioner of transportation and public facilities for bids for construction or acquisition of property for the state equipment fleet. Notice shall be published in the Alaska Administrative Journal. The time and manner of notice must be in accordance with regulations adopted by the commissioner of administration. When practicable, notice may include

(1) publication in a newspaper calculated to reach prospective bidders **located in the state**;

(2) notices posted in public places within the area where the work is to be performed or the material furnished; and

(3) notices mailed to all active prospective contractors on the appropriate list maintained under AS 36.30.050

(A) if the contractors are located in the state;

(B) upon request, if the contractors are not located in the state.

* Sec. 3. AS 36.30.130(a) is repealed and reenacted to read:

(a) The procurement officer shall give adequate public notice of the invitation to bid at least 21 days before the date for the opening of bids. If a determination is made in writing that a shorter notice period is necessary for a particular bid, the 21-day period may be shortened. The determination shall be made by the chief procurement officer for bids for supplies, services, or professional services. The

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determination shall be made by the commissioner of transportation and public facilities for bids for construction or acquisition of property for the state equipment fleet. Notice shall be published in the Alaska Administrative Journal. The time and manner of notice must be in accordance with regulations adopted by the commissioner of administration. When practicable, notice may include

(1) publication in a newspaper calculated to reach prospective bidders;

(2) notices posted in public places within the area where the work is to be performed or the material furnished; and

(3) notices mailed to all active prospective contractors on the appropriate list maintained under AS 36.30.050.

Sec. 4. AS 36.30.540 is amended to read:

Sec. 36.30.540. REPORT TO LEGISLATURE. The [BEGINNING WITH DECEMBER 1, 1989, THE] commissioner shall biennially report to the legislature concerning procurements by agencies. The report must include

(1) the records maintained by the commissioner under AS 36.30.510 and the records maintained under as 36.30.520(a) for the previous two fiscal years;

(2) recommendations for changes in this chapter or other laws based on implementation of this chapter in the previous two fiscal years;

(3) a description of any matters that involved litigation concerning this chapter in the previous two fiscal years;

(4) a list of procurements made under this chapter from out-of-state sources during the previous two fiscal years together with the total number of procurement contracts entered into during that period with out-of-state contractors and the total value of these contracts; this paragraph does not apply to procurements made under AS 36.30.320; and

(5) a list of procurements made under this chapter from state sources during the previous two fiscal years together with the total number of procurement contracts entered into during that period with state contractors and the total value of these contracts; this paragraph does not apply to procurements made under AS 36.30.320;

(6) the number of bidders and offerors that bid on or made

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proposals for procurements under this chapter, the number of these bidders and offerors that were located in the state, and the number of these bidders and offerors that were located outside the state; this paragraph does not apply to procurements made under AS 36.30.320.

* Sec. 5. AS 44.99.200 is repealed and reenacted to read:

Sec. 44.99.200. PRODUCTION OF PUBLICATIONS. The publications of a state agency shall be produced at a private sector facility located in the state when practicable. The Department of Administration shall establish standards for the production of publications by state agencies, except that the Board of Regents of the University of Alaska shall establish the standards for the university. The standards shall be designed to promote simplicity, low cost, and consistency.

* Sec. 6. AS 44.99.210 is amended to read:

Sec. 44.99.210. DISCLOSURES ON PUBLICATION. If [A PUBLICATION OF A STATE AGENCY IS EXEMPTED UNDER AS 44.99.200(a) FROM BEING PRODUCED AT A STATE-OPERATED FACILITY AND IF] the actual annual costs for a [THE] publication of a state agency that are paid from the general fund exceed $1,500, or if the actual annual costs of a state agency publication that is a report required by law are paid from a source other than the general fund and exceed $1,500, the publication must include a statement that gives the name of the agency releasing the publication, the purpose of the publication, the cost for each copy of the publication, and the city and state where the printing was done. The statement must read: "This publication was released by . . . (name of state agency) . . ., produced at a cost of $ . . . . . per copy to . . . (statement of purpose) . . ., and printed in . . . . . (city and state where printed)." If the publication is required by law, the statement must also include: "This publication is required by . . . (appropriate citation to Alaska law)." The statement may include, if applicable, a declaration of the revenue raised by the sale of the publication or from the purchase of advertising in the publication. The statement shall be printed in one conspicuous place in the body of the publication in a type size that is not smaller than 12 [EIGHT] points and shall be placed in a box composed of at least two [ONE] point rule. In this section, "cost for each copy" means the figure that results after dividing the total contract cost of producing the

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publication by the number of copies produced. This section does not apply to a publication that is intended primarily for foreign or other out-of-state use, [OR] to a program for a public ceremony of a state agency, **or to materials used by a state agency to develop a market for the agency's services or products**.

* Sec. 7. AS 44.99.230 is repealed.

* Sec. 8. INNOVATIVE CONSTRUCTION PROCUREMENT METHODS PILOT PROGRAM. (a) Within six months after the effective date of this section, the commissioner of transportation and public facilities shall begin a two-year pilot program for the use of innovative methods for the procurement of construction services by using bonuses to replace the preferences required under AS 36.30. The bonuses are to be offered to achieve the purposes of the preferences in AS 36.30 and shall be defined by regulations adopted by the commissioner.

(b) Notwithstanding the provisions of AS 36.30, if the commissioner determines in writing that using innovative construction procurement methods for the procurement of construction contracts would be in the best interests of the state, the commissioner may, by regulation, adopt procedures different than those provided under AS 36.30 as necessary to use bonuses instead of preferences in the procurement of construction contracts. The determination must find that the innovative methods are not contrary to the intent and purposes of AS 36.30, demonstrate that the innovative methods are in the best interests of the state, and describe how the innovative methods modify the procurement methods and procedures of AS 36.30.

(c) Within 15 months after the pilot program begins, the commissioner shall report to the legislature on the construction contracts awarded during the first year of the pilot program. Within 27 months after the pilot program begins, the commissioner shall report to the legislature on the construction contracts awarded during the second year of the pilot program. In a report under this subsection, the information must include for each contract awarded during the period covered by the report

(1) the geographical region where the construction is to be performed; and

(2) whether the contractor is classified as a minority contractor.

(d) The legislature may review the pilot program at any time during the program and may make the program permanent or broaden the scope of the innovative procurement

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program.

(e) In this section,

(1) "best interests of the state" means that the proposed action would provide

(A) an economic benefit to the private businesses and citizens of the state;

(B) an economic benefit to state government; and

(C) greater administrative efficiencies than existing procedures provide;

(2) "commissioner" means the commissioner of transportation and public facilities.

* Sec. 9. APPLICABILITY. AS 36.30.540(6), enacted by sec. 4 of this Act, applies to reports due after the effective date of sec. 4 of this Act.

* Sec. 10. Section 3 of this Act takes effect on the date that is four years after the effective date of sec. 2 of this Act.

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Audit Report

DEPARTMENT OF ADMINISTRATION
UNIVERSITY OF ALASKA
PRINTING AND PUBLICATION
EXPENDITURES

April 16, 1996

Audit Control Number:

02-4533-96

Division of Legislative Audit

P.O. Box 113300, Juneau, Alaska 99811-3300

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LEGISLATIVE BUDGET AND AUDIT COMMITTEE

DIVISION OF LEGISLATIVE AUDIT

The Legislative Budget and Audit Committee is a permanent interim committee of the Alaska Legislature. The committee is made up of five senators and five representatives, with one alternate from each legislative chamber. The chairmanship of the committee alternates between the two chambers every legislature.

The committee is responsible for providing the legislature with audits of state government agencies. The programs and activities of state government now cost more than $5 billion a year. As legislators and administrators try increasingly to allocate state revenues effectivaly and make government work more efficiently, they need information to evaltiate the work of governmental agencies. The audit work performed by the Division of Legislative Audit helps provide that information.

As a guide to all their work, the Division of Legislative Audit complies with generally accepted auditing standards established by the American Institute of Certified Public Accountants and with government auditing standards established by the U.S.

BUDGET AND AUDIT COMMITTEE

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Representative Con Bunde
Representative John Davies
Representative Gary Davis
Representative Vic Kohring
Representative Mark Hanley (alternate)

Senator Randy Phillips, Vice Chair
Senator Al Adams
Senator Steve Frank
Senator Rick Halford
Senator Steve Rieger
Senator Fred Zharoff (alternate)

DIVISION OF LEGISLATIVE AUDIT

Randy S. Welker, CPA
Legislative Auditor
Merle R. Jenson, CPA
Deputy Legislative Auditor



PART V

FINANCE AND BUSINESS MANAGEMENT
CHAPTER VIII

Printing Standards

Printing Standards 05.08.01

Publications produced by and for the University shall be simple, low in cost, and consistent. Publications shall be printed on recycled paper whenever it meets specific printing needs and shall be printed on both sides of the paper. A publication with actual annual general fund production costs in excess of $1,500 shall contain the disclosure statement if required by A.S. 44.99.200.

Printing at Private Facilities 05.08.02

A University publication shall be produced at a private sector facility located in the state unless: (a) the publication cannot be produced within the time limits established by the University by a private sector facility located in the state; (b) the technical requirements for the publication exceed the capability of private sector facilities located in the state; (c) the publication can be produced at least cost by the University, or (d) in-house xerographic copiers, computer printers or imagers are used to produce the publication.

Printing Regulations 05.08.03

In adopting University Regulations with printing standards designed to promote simplicity, low cost and consistency in accordance with this policy, the President shall consider the standards adopted by the Department of Administration under A.S. 44.99.230. The President shall allow for exceptions to the University standards with written justification. The standards shall not apply to publications used by the University to develop a market for the University's services or products, publications intended primarily for foreign or out-of-state use, programs for public ceremonies, or posters, or printed materials exempted by A.S. 44.99.240(1).

08-19-94

factors above, all three of these non-cost aspects, have served to limit the amount of printing and publication produced in the private sector.

2. Market development exemption has also been employed to avoid use of private sector printers. As reflected by the BOR policy on page 4, the university states "*the standards shall not apply to publications used by the University to develop a market for the University's services or products, publications intended primarily for foreign or out-of-state use, programs for public ceremonies . . .*" The policy has been interpreted by university staff to avoid having to seek private sector competitive bids for certain publications because they are considered marketing items.

For example, the UAF Summer Sessions catalog, at a cost of more than $18,000 for [illegible] of private printers. University

university staff to avoid having to seek private sector printing publications because they are considered marketing items.

For example, the UAF Summer Sessions catalog, at a cost of more than $18.000 for FY 95, was produced by UAF-PS without consideration of private printers. University officials we interviewed, felt that this was appropriate under the BOR policy, since the summer sessions catalog not only provides information for prospective students, but is also used as a means to recruit those students. The individuals responsible for producing the catalog were confident that UAF-PS could meet their needs and felt more comfortable working with the in-house facility. For further discussion see Recommendation No. 1.

3. UA policy interpreted in such a way to expand the definition of "cost effective." The BOR policy provides that if a publication can be produced at a less cost by the university, it does not have to be produced by a private sector facility. Some individuals we interviewed indicated that they considered more than the publication price when applying the BOR policy. In their view, their time and effort also represented a university cost and if use of UAF-PS made more efficient use of their time, the total cost to the university would be less. Accordingly, this would allow them to be exempted from utilizing a "private sector" facility.

While the new printing standards have not affected private sector printers in Fairbanks, they have also not affected the private sector printers in Anchorage. Due to the small facility on the University of Alaska Anchorage (UAA) campus, and the large number and diversity of services offered by Anchorage area printing companies, the UAA print shop had a limited impact on the local market. From our discussions with UAA personnel use of the private sector to produce printing and publications has not significantly changed with adoption of the revised statute.

REGENTS POLICY

DOA's new policy has resulted in a slight increase in the use of private sector printers

The Department of Administration's (DOA) new procurement policy[9] has resulted in a slight increase in the use of private sector facilities. Using state accounting system records, we estimate that private sector printing and publication expenditures increased just over 5% from FY 94 to FY 95. After making some adjustments to assist in comparability, we estimate state expenditures for printing and publications increased from just under $4 million in FY 94, to almost $4.2 million in FY 95.

We also estimate that private sector printing and publication activity, as measured by expenditures, increased from just over 73% in FY 94 to almost 78% in FY 95. This trend is further illustrated and discussed by the information presented in Table III on the following page. As shown in the table, we estimate state agencies spent over $5.4 million in printing-related expenditures in FY 94, and just under $5.4 million in FY 95.

There may be numerous reasons for these changes. However, in our view, unlike the university, the change in procurement procedure and policy was the central contributing factor. The impact of the change in procurement policy was lessened to an extent by a large increase in paper prices, that printers faced during FY 95. State procurement personnel we spoke to commented they thought CD was able to continue as "low bidder" on many jobs because it had a large store of paper bought at volume discount prices through the auspices of the State. As a result, procurement personnel speculated CD was able to hold on to some business due to this competitive advantage.

CD does not have the technological advantages of UAF-PS. The capabilities of the state printing facility in Juneau are less than that available from local printers in the Juneau market. CD is not conveniently accessible to many Anchorage-based state agencies which may make extensive use of the Anchorage market to meet their printing and publication needs. As a result, the shift to private sector facilities was not affected by "customer preferences" involving technological capabilities or convenience as was the case with UAF-PS.

[9]As stated in the Background Information section, the Division of General Services interpreted the "when practicable" language in the amended statute to generally mean "lowest price." Accordingly, the change in procurement policy was a directive to state agencies to obtain printing and publications from whatever vendor, CD included, who could provide what they wanted, when they wanted, at the lowest price.

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ALASKA STATE LEGISLATURE

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

August 16, 1996

Randy Welker
Legislative Auditor
P.O. Box 113300
Juneau, AK 99811-3300

RECEIVED
AUG 19 1996
LEGISLATIVE AUDIT

Dear Mr. Welker:

Thank you for the opportunity to comment on Preliminary Audit 02-4533-96. We did not understand that you were expecting a written response to this audit and apologize for any inconvenience our subsequent tardiness may have caused.

This audit contained no recommendations for the Department of Administration. We concur with the analysis and agree with the recommendation for the University of Alaska Board of Regents.

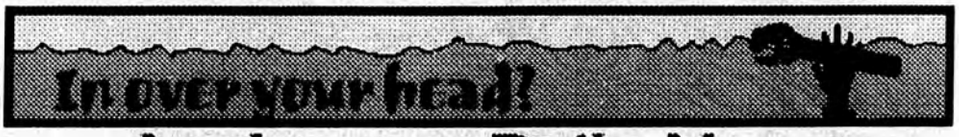
If you have any questions, please call me or Dugan Petty, Director of the Division of General Services.

Sincerely,

Mark Boyer
Commissioner

cc: Dugan Petty
Director
Division of General Services

Sharon Barton
Director
Division of Administrative Services



Anchorage Daily News

Monday, February 28, 2000

Fatal flaws claimed in state study

Conflicts of interest alleged in privatization committees

By MARTHA BELLISLE
Daily News Juneau Bureau

JUNEAU - Sweetheart deals, conflicts of interest and vote-packing tainted the work done by hundreds of Alaskans who volunteered to find ways to turn some government functions over to businesses, according to some who worked on the six-month effort.

An appointed panel, drawing on advice from volunteers who served on subcommittees, delivered a list of 20 recommendations to the governor and Legislature earlier this month. Backers of the ideas call the criticism unfounded, say the process was proper, and believe the recommendations will make Alaska government more efficient and better serve citizens.

But some members of the panel and subcommittees are condemning the privatization commission's work, arguing that monetary interests pushed self-serving goals that will ultimately benefit a narrow few.

"The end result is a reflection of personal agendas, not a plan for the good of the people of Alaska," said Rep. Tom Brice, a commission member and Democrat from Fairbanks. "The result was a fatally flawed product. It should be put on a shelf to collect dust."

During the six months the commission and its subgroups were in operation:

* A panel headed by a former head of a private prison company called for the state to do more business with private prison companies.

* Another group headed by a private school director recommended public funding for private schools.

* A man involved in a long dispute with the state Department of Environmental Conservation was placed in charged of reviewing it. His group recommended major changes in the agency.

* A report concluding that one state agency was doing a good job was tossed out and replaced with recommendations mirroring those

of one of the lawmakers who helped create the privatization panel.

* And, in at least one case, a privatization committee recommended adding a new government agency.

Sen. Jerry Ward and Rep. John Cowdery, both Anchorage Republicans, launched the Commission on Privatization and Delivery of Government Services last June after lawmakers approved a bill directing a study on moving government functions to the private sector to save the state money.

"The overriding principle behind being prime sponsor of this bill," Ward told a joint Finance Committee hearing earlier this month, "was if it could be done (in the private sector) at the same level of service for less money, than it ought to be done. If it can't be done for less money, then we shouldn't do it."

Both Ward and Cowdery said the groups were given a huge task in a choking time frame, but managed to produce a fair, balanced report that lawmakers can use when deciding new directions for government services.

Sen. Sean Parnell, R-Anchorage, co-chairman of the Senate Finance Committee, said he has asked the budget subcommittees to review all 408 recommendations from the privatization panels and final 20 from the commission.

House Speaker Brian Porter, R-Anchorage, said he had heard of some conflict of interest concerns, but thought it was necessary to bring in people who specialized in specific fields with knowledge of how certain areas worked. Porter said he had not heard of any inappropriate behavior in the commission.

Chairman assignments 'mysterious'

Eleven commissioners were appointed by a combination of legislative leaders and heads of municipal, business and labor organizations. The commission divided state agencies among 20 subcommittees made up of community volunteers.

Anyone interested could join a subcommittee, Cowdery said. Chair positions were handed out upon request, he said, adding, "generally, the first person who wanted to be chair was chair. No one was denied participation."

But an assortment of people who held those posts said in recent interviews that they were called or received a notice in the mail asking if they would join, then were assigned or voted in as chairs.

"The assignment of subcommittee chairs was mysterious, confusing,"

said Steve Rouse, who sat on the Community & Economic Development panel. Rouse manages the Made In Alaska program, which contracts with the Department of Commerce.

Several people involved said the panels were stacked with hand-picked members and leadership positions predetermined. Mike Abbott, who oversaw the process for the governor's office, said Ward and Cowdery chose the chairmen.

"Partisan politics appeared to have played a major role in the selection of subcommittee members," said Don Valesko, a commission member and a representative of a state worker union.

One woman who tried to participate said she was told she couldn't vote and was ultimately left off the panel roster.

Kelly Brown of Fairbanks, a business agent with the Alaska State Employees Association, volunteered, and joined a panel looking at Health, Education & Social Services.

During meetings of some spin-off panels, she said she was told she couldn't vote because she worked for an employee union. She also was surprised to learn that her name wasn't included in the final list of subcommittee members, even though she attended meetings.

The commission's final report boasted that the panels "included at least one member of the state employee unions."

That sort of conflict between some group leaders and volunteers "turned off a lot of people," she said. "They were drowned out by people who wanted to push their own agenda."

Marco Pignalberi, Cowdery's legislative aide and executive director of the commission, said Brown's allegations were not true. "We never kept anybody from voting," he said. "It was the most all-inclusive process we could possibly have made it."

The absence of Brown's name from the final list "was probably an oversight," said Rynnieva Moss, a legislative aide for Rep. John Coghill who worked on the subcommittee and remembers that Brown participated and offered recommendations.

Criticism starts early

Complaints that many subcommittee members had conflicts of interest began early and never went away.

"The way the commission was established and run," Brice said, "was if you're in business and want to get a government contract, come participate."

Some business people initially were reluctant to participate in the process out of fear that they might be barred in the future from bidding on state contracts.

To reassure them, Pignalberi asked the Legislature's legal service for an opinion on their concerns. A legislative counsel later told the volunteers that contractors serving on the panels would not be restricted from state contracts.

Cowdery and Pignalberi said the personal agenda accusations were unfounded.

"There's no conflict of interest in a volunteer group," Pignalberi said. "Conflict of interest occurs when you have decision-making authority and you use that power for your own benefit."

All recommendations from these subcommittees must be run through the Legislature and by the governor, he said. "There's checks and balances."

But critics of the subcommittees' makeup argued that self-serving interests kept the panels from looking objectively at privatizing state work.

The panels also didn't do much of the work that the bill required: No cost-benefit reviews were done, no studies on competitive bidding, no surveys of what other states have tried and failed at.

The commission said in its report that the cost-benefit analysis wasn't done because the state budget was too difficult to understand and most programs are not broken down by costs for specific services.

The panels unanimously complained that they didn't have enough time for a complete job.

Cowdery and Pignalberi tried to quell some early conflict of interest criticism after the Department of Corrections panel came under fire for having as a chairman the head of a private corrections company.

David Morrison, head of Cornell Corrections, a private company that now owns Allvest Inc., was replaced as chairman early on in the process. His company operates a number of private corrections facilities in Alaska and is slated to build a new prison in Delta Junction, thanks to aggressive lobbying from Ward.

But Morrison's substitute also has been heavily involved with the private prison industry in Alaska.

The replacement, Sharon Anderson, is a former chief operations

officer of Allvest who worked for Cornell from August 1998 until June 1999. Cowdery, Pignalberi and Anderson said they couldn't remember who asked her to serve as chair, but believed the invitation came from Ward's office.

Pignalberi also said it wasn't a problem because the subcommittees started after June. "There was no reason not to use her," he said. "She has expertise in the area. The fact that she worked for the company in the past didn't disqualify her."

In the end, the Corrections panel recommended that the state shift much of its corrections work to private companies, including its entire sex offender treatment program. It also suggested moving nonviolent prisoners to private intermediate facilities. Cornell provides such services.

Questions also were raised about other chair assignments and panel recommendations.

Virgil Norton of Nikiski was put in charge of the panel reviewing the Department of Environmental Conservation. Norton works for a man in Kenai who is suing the DEC over a multiyear, $1-million-plus cleanup of dry cleaning fluid spilled on his land and seeping along the Kenai River.

Norton's boss, Gary Hinkle, has battled the DEC for nearly three years over the cost of the cleanup and the way it has been handled. Norton's panel ultimately recommended a laundry list of changes to the way the DEC operates, including how it issues permits and conducts investigations.

The group also recommended that the Legislature "prohibit unnecessary and redundant rule making by the department" and "fund a thorough audit" of the DEC.

Jim Hickel, executive director of Holy Rosary Academy, a private school in Anchorage, chaired the Education & Early Development panel. The group's recommendations included creating a voucher system - in which the government pays for schooling by giving families redeemable certificates. The families use those vouchers to pay for the school of their choice, including private religious schools.

Added offices; rewritten reports

One recommendation from the Community & Economic Development subcommittee said, "there should be an Alaska Film Commission." In the commission's final report, the recommendation states "there should be an Alaska Film Office."

Until last year, the state film program was run by Mary Pignalberi,

wife of commission executive director Marco Pignalberi. She and four others were laid off when the Legislature cut the division's budget last year.

Steve Levi, an Anchorage-based writer, who served on the economic development panel, said Mary Pignalberi is a friend who also used to direct film work his way when television or movie producers called her office for help on a project.

He lobbied his group to add the film office to the list, he said, because "Alaska is the only state that doesn't have a film commission" and he and other writers need an agency to steer work their way.

Marco Pignalberi said the recommendation came from others, not him.

"At no time did I ever try to get that position to get my wife's job back," he said. "I did not instigate anything to do with the Alaska Film Office."

Pignalberi did not object to adding the film office to the recommendation list, however, even though it means more government, not privatization. He said the film commission's work was valuable to the state. He also said part of the panel's job was to offer suggestions on making the delivery of government services more efficient.

The fully staffed film office did that, he said.

One subgroup recommendation was rewritten and its chairman booted after it submitted a report at odds with Cowdery's views.

Ric Davidge, who led the Community and Economic Development sub-subcommittee for 21/2 months, said in the first meeting Cowdery offered a report he had done during the last legislative session on Alaska's international trade programs. Cowdery's study was highly critical of the way they were run and concluded that the services would be better provided by the World Trade Center of Alaska, a private group that competes with the state's Division of Trade and Development.

Davidge said his group read Cowdery's study, and the subsequent reports critical of the paper, and chose to take a different track. Their final report explained their reasons and offered recommendations significantly different from Cowdery's.

When the panel turned in the report, Pignalberi condemned it as "off the mark" in an e-mail to Davidge and said it was a political attempt to further Commerce Commissioner Deborah Sedwick's disapproval of Cowdery's report.

Davidge, who had worked in the Reagan and Hickel administrations, said that was absurd. "Rather than look at the substance of the report, they attacked the individual," he said.

Davidge was ousted as chairman. Pignalberi assigned a new international panel and told the group to write a new report. The new chairman: Lee Wareham, a retired vice president at Alascom and board member of the World Trade Center.

* Reporter Martha Bellisle can be reached at mbellisle@adn.com

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To: Privatize@legis.state.ak.us, Jerry Ward <Senator_Jerry_Ward@legis.state.ak.us>
Subject: **State of Alaska Comprehensive Annual Financial Reports**
Content-Type: text/plain; charset=iso-8859-1
Content-Transfer-Encoding: 8bit

To the Commission and Senator Ward:

Be sure to analyze the statistical data contained in the report through June 30, 1998, pages 166-188 as they relate to the financial information covered in pages 1-165. An example of bloat is in the arena of administrative to general workers in the government and the statewide schools is a good example of what to concentrate upon. The U of A system has nil statistics. That arena cannot be analyzed by this report. The new audited report will be out on or about 12-15-99, covering the fiscal year ended 6-30-99.

We realize the task here is on what can be privatized, which will affect some State employees But the fact is the supervisory bloat will remain in the departments not affected by privatization.

Keep also in mind the Feds have taken over the Subsistence issue in total, but no layoffs in the Fish and Game Agency. Those folks can go to work for the Feds now if they were forced into leaving that agency.

We think after this Commission completes its work 1-1-00, then we need another Commission of the people to analyze salaries and the numbers of government workers. Maybe instituting a part time job situation with our college students as workers, several sharing a job during the course of a week for hands on experience, (similar to Kelley Services) at the statewide offices. The State and Private College system is an unlimited source of payroll cost effective workers and a think tank to boot. Student Government Workers during their schooling tenure makes a lot of sense. High School and Technical School students also makes sense with the vocational parts of the State Government.

Let's hear some response from each and everyone of you!

Bill and Samon Arnold
P.O. Box 1392
Sterling, Alaska 99672-1392
(907) 260-5463
E-Mail wildbill@corecom.net

CED Priv. file

Subj: (no subject)
Date: 12/1/1999 10:58:43 PM Alaskan Standard Time
From: wilson@alaska.net
To: clwancak@aol.com

Dear Lee,

On December 1, 1999, the Export Council heard a presentation from Commisioner Sedwick. Following that presentation, questions were directed to Commissioner Sedwick, Greg Wolf, Robin Zerbel and other board members. The substance of the discussion concerned the two subcommittee reports of the COMMISSION ON PRIVATIZATION AND DELIVERY OF GOVERNMENT SERVICES - DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

A) Original Subcommittee Report
Ric Davidge - Chairman

B) New Committee Report
Lee Wareham & Craig Johnson Co-Chairman

Export Council members attending the 12/1 meeting have a copy of both reports for their review. It was noted at the Export Council meeting that the two Privatization Subcommittee reports are divergent. Additionally, the two Privatization reports arrive at substantially different conclusions and recommendations. Of specific interest are the recommendations in those two reports concerning international trade i.e. Division of Trade and Development, Alaska Seafood Marketing Institute, among others.

The Export Council is considering the prospect of forwarding a letter to appropriate bodies commenting upon the recommendations in those reports. The Export Council understands that the issues are being considered by legislative bodies in the near term. The Export Council is acutely interested in Alaska realted international trade issues and it is the Council's intent to consider the issues and recommendations noted within the two Privatization reports. In that regard, the Export Council formed a subcommittee comprised of Jean Wall, Ron Veltkamp, Dave Heatwole and Mark Wilson to:

+ Chuck Weber, Lanae Fm Chuck Beckers

1) Poll members of the Privatization Subcommittee(s)

Poll members of the Privatization Subcommittee(s) for their remarks and statements, and to allow Export
Council subcommittee members to seek clarifications. Following the poll the Council subcommittee members will report their findings to the Export Council Chairman and board membership.

2) Prepare draft letter of opinion

The Council subcommittee will prepare a draft opinion letter for consideration by the Export Council Chairman and board membership.

The Export Council subcommittee would like to meet with you as soon as possible to seek your remarks and comments upon the Privatization reports. May I suggest a meeting at one of the following times of Thursday 1:30pm, Friday 10am or 1:30pm at the Snow Goose Restaurant Board Room. These times being unacceptable, I request that you suggest dates and times that may be otherwise acceptable to you. Your
prompt reply will help me arrange the attendance of the Export Council subcommittee co-members.

On behalf of the Export Council subcommittee members, thank you for considering to meet upon short notice.

Very truly yours,
Mark Wilson

DoT
PnV.
file

ACEC
WHITE PAPER ON PRIVATIZATION/GOVERNMENT COMPETITION

BACKGROUND

The Federal Government has never truly defined in statute what are inherently governmental functions and what are inherently commercial functions. Clearly this has led to conflict between agencies and the private sector on how to deliver certain services that are provided by government, yet are also available from the private sector. In some cases, the root of the conflict is very clear.

The private sector is now able to provide services that at one time would only be available if delivered by the government. For example, it could be argued that there is an appropriate role for the Federal Government to assure that there be comprehensive mapping of this country and other strategic interests around the world. The private sector was incapable of providing these services. The Federal Government stepped in and provided the service.

Progress leads to conflict. The private sector is now capable of providing mapping services, not only to the private sector, but, to the government. The question is raised why should government undertake a service, like mapping, with government personnel when it can procure what it needs from the private sector?

These questions have been around for many years because they are difficult to resolve. New pressure, however, is being brought to develop answers. As funding for government becomes less readily available agencies are being challenged to achieve their missions with fewer resources. In some cases, agencies have used those resources that they possess that overlap with the private sector to market those resources and generate income to off-set diminished appropriations funding. ACEC calls this government competition with the private sector.

Other agencies have gone in just the opposite direction. They have taken entire functions, such as waste water treatment and sold the asset or leased it on a long-term basis to a private company to operate. ACEC would call this privatization. Finally, there is a middle ground, in which the government manager takes advantage of the economies of contracting out work to the private sector, which it can do faster, better, and/or at lower cost. ACEC would call this outsourcing.

ISSUES

- This current conflict raises several questions. Should government agencies be allowed to compete against the private sector?
- Should government agencies be allowed to provide services for themselves or other government agencies that are available from the private sector?
- If government does divest itself of functions that are available from the private sector, what should be done with the government employees who perform the function?
- Finally, should there be "cost comparisons" to determine who performs the work, and if they are done how does the government ensure that they are fair?

POSITIONS

The issues raised in government competition and privatization are sweeping in nature. ACEC can respond best to the experiences that its members have had in working with and for government agencies for over a century. What is workable for the broad range of services that are provided by engineering firms may not be applicable to other industries or professions.

First, ACEC affirms that there are inherently governmental functions that should only be performed by federal agency personnel. ACEC firms do not advocate transferring national security, policy, or core administrative functions to the private sector. Consulting Engineers have seen problems arise when government contractors are asked to perform functions that are inherently governmental.

ACEC believes that, with the exception of those services that would be provided under battlefield conditions, that the broad range of engineering services available from the private sector are not inherently governmental and should be contracted out. Consulting Engineers recognize that their best government clients are engineers who exercise their skills. For this reason, ACEC supports agencies doing some engineering work in house to maintain the skills of a core group of individuals who are involved in procuring engineering services for the agency. In a given year, such individuals would divide their time between doing design or related service work for the agency and contracting with and reviewing the work of private-sector engineering firms.

Under no circumstances, should agencies provide in house services to other agencies or the private sector in competition with private-sector firms. Often this competition, or not outsourcing to the private sector, is justified by comparisons that do not take into account the true cost to the government of providing the service. The cost of support from other agencies, liability, and tax revenues lost by doing the work with government personnel are never, in our experience are calculated as costs of doing the work in house.

[DISCUSSION DRAFT]

JANUARY 1, 1999

H. B. ____

IN THE GENERAL ASSEMBLY

A BILL

To restrict state governmental units from engaging in commercial activities that can be adequately performed by nonprofit or for-profit private enterprises and to provide a mechanism to identify those activities.

Be it enacted by the Senate and the General Assembly of the State of _____ in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE. – This Act may be cited as the "Freedom From Unfair Competition Act of 1999."

(b) TABLE OF CONTENTS. – The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Policy.

TITLE I – DEFINITIONS/EFFECTIVE DATES

Sec. 101. Definitions.

Sec. 102. Rules of construction.

Sec. 103. Effective dates.

TITLE II – PERFORMANCE OF COMMERCIAL ACTIVITIES

Subtitle A – Requirements

Sec. 201. Restriction on state governmental activity..

Sec. 202. Exceptions.

Sec. 203. Uniform accounting costs/evaluation factors.

Subtitle B – Challenge Procedures

Sec. 211. Protests of source selection.

Sec. 212. Opportunity for review by government competition review committee.

TITLE III – ESTABLISHMENT OF GOVERNMENT COMPETITION REVIEW COMMITTEE

Sec. 301. Creation.

Sec. 302. Annual list of Government Activities of a Commercial Nature

Sec. 303. Challenges to the List

SECTION 2. POLICY

It is the policy of the state government of _____ to –

(1) achieve economy and enhance productivity through competition; and

(2) rely on the private sector to provide commercial products and services.

TITLE I - DEFINITIONS/EFFECTIVE DATES

SEC. 101. DEFINITIONS. In this chapter, unless the context otherwise requires:

(A) COMMERCIAL ACTIVITY – The term "Commercial activity" means providing goods or performing services which can, in a cost-effective manner and consistently with the rules of the department of administration promulgated under _____ and applicable collective bargaining agreements under _____, be obtained from a nonprofit or for profit private enterprise, including the manufacturing, processing, managing, sale, offering for sale, rental, leasing, delivering, dispensing, distributing or advertising of any goods or services.

(B) PRIVATE ENTERPRISE – The term "Private enterprise" means a private person engaging in the manufacturing, processing, sale, offering for sale, rental, leasing, delivery, dispensing, distributing, or advertising of goods or services on a for-profit or nonprofit basis.

(C) STATE GOVERNMENTAL UNIT – The term "State governmental unit" means this state, and every subunit or instrumentality of this state, including any institution or authority, regardless of whether moneys are appropriated to the unit.

(D) UNIFORM ACCOUNTING STANDARDS – The term "Uniform accounting standards" means a system of accounting for costs and expenses which applies accepted

accounting practices and customs, including those limited to specific industries, to provide a fair and complete total of the direct and indirect costs and expenses of or reasonably allocable to any activity, including:

(1) Direct and indirect labor costs and compensatory benefits.

(2) Direct material costs.

(3) Other allocable indirect costs, including indirect manufacturing or operational costs such as costs of utilities, parts and supplies, insurance and depreciation on plant and equipment.

(4) Selling, general and administrative expenses.

(5) The imputed cost that represents the fair and complete total of the federal, state and local tax obligations, from which the activity is exempt in whole or in part, to the extent of such exemption.

SEC. 102. RULES OF CONSTRUCTION.

(A) IN GENERAL – The requirements, authorities, conditions, and restrictions provided under this Act are in addition to, and are paramount to, any authority, requirement, conditions, or restriction provided in any law other than this Act. No provision of this Act is subject to any provision of any law other than this Act that is inconsistent with that provision of this Act unless the provision of such other law –

(1) specifically refers to this Act; and

(2) specifically states that it waives this Act or that particular provision of this Act.

(B) JUDICIAL REVIEW – No provision of this Act shall be construed to create any right or benefit, substantive or procedural, enforceable by any person in an administrative or judicial action, other than as provided in the amendments by section 212.

SEC. 103. EFFECTIVE DATES.

(A) IN GENERAL –Title II and the amendments made by sections 211 and 212 shall take effect on October 1, 1999, and shall apply with respect to fiscal years beginning on or after that date.

TITLE II – PERFORMANCE OF COMMERCIAL ACTIVITIES

SUBTITLE A – REQUIREMENTS

SEC. 201. RESTRICTION ON STATE GOVERNMENT ACTIVITY.

(A) IN GENERAL – Except as provided in Section 202, no state governmental unit may engage in any commercial activity for its own use, for the use of any other state governmental unit or for public use if the good or services provided as a result of that activity can be procured from any for-profit or nonprofit enterprise through normal business channels.

SEC. 202. EXCEPTIONS.

(A) IN GENERAL – A state governmental unit may engage in a commercial activity if any of the following applies:

(1) The commercial activity is not available from any for-profit or nonprofit private enterprise.

(2) The state governmental unit can provide the goods or services resulting from the commercial activity to other state governmental units at a lower total cost than if goods or services were obtained from a for-profit or nonprofit private enterprise, using uniform accounting standards to make the cost comparison.

(3) Use of a for-profit or nonprofit private enterprise to engage in the activity would cause an unbearable delay or disruption of an essential program.

(4) Use of a for-profit or nonprofit private enterprise would impede the ability of the state governmental unit to fully comply with any collective bargaining agreement under _____.

SEC. 203. UNIFORM ACCOUNTING COSTS/EVALUATION FACTORS

(A) OFFERS OF STATE GOVERNMENTAL UNITS– The regulations shall require that an offer from a state governmental unit to perform an activity reflect all of the direct and indirect costs that are relevant to the performance of the activity by that unit, including the costs listed in paragraph (B). The regulations shall also provide for the offers of private enterprise sources and the offers of state governmental units to be adjusted, with respect to costs, as necessary to make the offers comparable.

(B) COSTS – The costs referred to in paragraph (A) include the following:

(1) Costs of salaries and benefits for employees, retirees, and their survivors and dependents, including health and life insurance benefits, pension and retirement benefits, and other post-employment benefits such as severance payments, training and counseling, continued health care, and unemployment and workers' compensation.

(2) Costs of materials and supplies used in the work.

(3) Costs of office space, equipment, facilities, and utilities, including depreciation expense and property acquisition costs.

(4) Costs of goods or services received from other agencies (including other segments of the agency where the activity is located) that are used to produce the output, whether or not such goods or services are reimbursed.

(5) Cost of general administrative services, general research and technical support, security, rent, employee health and recreation facilities, and operation and maintenance costs for buildings, equipment, and utilities.

(6) Costs of reorganization and non-recurring cleanup costs resulting from facility abandonment.

(7) Costs relating to bids and proposals and independent research and development.

(8) Costs relating to product and performance liability.

(9) Other relevant costs associated, directly or indirectly, with agency performance of an activity.

(C) EVALUATION FACTORS – The regulations shall require that an offer of a state governmental unit be evaluated on the basis of the same factors, including relevant technical and noncost factors, on which offers of private enterprise sources are evaluated.

SUBTITLE B – CHALLENGE PROCEDURES

SEC. 211. PROTESTS OF SOURCE SELECTION.

(A) COMPLAINTS – Any person or private enterprise that is adversely affected by any action of a state governmental unit which is restricted by Section 201, or by any inaction of a state governmental unit with respect to a matter that requires action by a state governmental unit under Section 202, may file a written statement of objections with the government competition review committee established by Section 301. The statement filed with the committee must state the reasons why the person or private enterprise is adversely affected.

SEC. 212. OPPORTUNITY FOR REVIEW BY GOVERNMENT COMPETITION REVIEW COMMITTEE.

(A) PROCEDURES – When the government competition review committee receives a written statement of objections as defined in Section 211, the following steps shall be taken:

(1) The committee shall immediately transmit a copy of the statement to the head of the state governmental unit which is referred to in the statement.

(2) The head of the state governmental unit which is referred to in the statement shall respond to the state review committee in writing within 30 days after receipt of the statement and shall, if the action concerns a commercial activity, fully address the objections made in

the statement and shall indicate whether remedial action should be taken to correct the situation that gave rise to the objections.

(3) The committee shall hold a public hearing on the statement where all parties are afforded the opportunity to present information unless remedial action agreed to be taken by the state governmental unit is acceptable to the person or private enterprise submitting the statement to the state review committee. The hearing shall be held within 30 days after receipt of the response under subparagraph (2) unless the committee determines that additional time is needed for negotiations between the state governmental unit and the person submitting the statement.

(4) Within 30 days after any public hearing under subparagraph (3), the committee shall issue a binding decision with respect to the matter addressed in the statement and provide a copy to the person submitting the statement and to the head of the state governmental unit.

TITLE III – ESTABLISHMENT OF GOVERNMENT COMPETITION REVIEW COMMITTEE

SEC. 301. CREATION.

(A) MEMBERSHIP – There is created a joint standing committee on government competition in the private sector composed of the following members:

(1) Two majority party senators, one minority party senator.

(2) Two majority party representatives, one minority party representative.

(3) The secretary of administration or his or her designee.

(4) Four owners or officers of private enterprises as defined in Section 101 or members or representatives of trade associations, one of whom shall be an owner or officer of a private enterprise having less than $___ million in gross annual sales in the most recent calendar or

fiscal year or a member or representative of a trade association that is composed of such enterprises.

(5) One member or representative of a labor organization that is certified to represent state employees under _____.

(6) One member or representative of a labor organization that is recognized or certified to represent employees in the private sector.

(B) SELECTION/APPOINTMENT –

(1) ELECTED OFFICIALS – Senators and representatives shall be selected to serve on the committee as are the members of standing committees in their respective houses.

(2) BUSINESS REPRESENTATIVES – The owners and/or officers of private enterprises shall be appointed by the governor to serve for 2-year terms expiring on December 31 of each even-numbered year.

(C) TERMS – No member of the committee may serve for more than 5 consecutive full terms.

SECTION 302: ANNUAL LIST OF GOVERNMENT ACTIVITIES OF A COMMERCIAL NATURE

(A) LISTS REQUIRED.--Not later than the end of the third quarter of each fiscal year, the head of each state governmental unit shall submit to the Review Committee a list of activities performed by the governmental unit which are commercial activities as defined in Section 101(a) of this act. The entry for an activity on the list shall include the following:

(1) The fiscal year for which the activity first appeared on a list prepared under this section;

(2) The number of full-time employees (or its equivalent) that

are necessary for the performance of the activity by a governmental unit;

(3) The name of a Government employee responsible for the activity from whom additional information about the activity may be obtained;

(4) A description of the activities performed by the governmental employees; and

(5) An explanation by the governmental agency as to why government employees are performing commercial work as it relates to the provisions of this act.

(B) PUBLIC AVAILABILITY OF LISTS.--

(1) PUBLICATION.--Upon the completion of the review and consultation regarding a list of an governmental unit--

(a) the head of the governmental unit shall promptly transmit a copy of the list to legislature and make the list available to the public.

(2) CHANGES.--If the list changes after the publication of the List as a result of the resolution of a challenge under Section 303 of this act, the head of the governmental unit shall promptly--

(a) make each such change available to the public and transmit a copy of the change to the legislature; and

(b) make the change available to the public.

(C) Review of Activities and performance.--Within 30 days after the date on which the list has been transmitted to the legislature and made available tot he public under subsection (B), the head of the governmental unit concerned shall review the activities on the list. Each time that the head of the governmental unit identifies an activity that is not excepted under the provisions in Section 202 of this act, the head of the unit shall undertake a process to insure that those activities are in compliance with Section 201 of this act and that any process to determine who will perform these activities will be conducted in accordance with the provisions of this act.

SECTION 303 – CHALLENGES TO THE LIST.

(A) CHALLENGE AUTHORIZED.--An interested party may submit to the review committee a challenge of an omission of a particular activity from, or an inclusion of a particular activity on, a list for which a notice of public availability has been published under section 302.

(B) INTERESTED PARTY DEFINED.--For the purposes of this section, the term "interested party", with respect to an activity referred to in subsection (A), means the following:

(1) A private sector source that--

(a) is an actual or prospective offeror for any contract, or other form of agreement, to perform the activity; and

(b) has a direct economic interest in performing the

activity that would be adversely affected by a determination not to procure the performance of the activity from a private sector source.

(2) A representative of any business or professional association that includes within its membership private sector sources referred to in paragraph (1).

(3) An officer or employee of an organization within an executive agency that is an actual or prospective offeror to perform the activity.

(4) The head of any labor organization referred to in section 7103(a)(4) of title 5, United States Code, that includes within its membership officers or employees of an organization referred to in paragraph (3).

(C) TIME FOR SUBMISSION.--A challenge to a list shall be submitted to the review committee within 30 days after the publication of the notice of the public availability of the list under section 302.

(D) INITIAL DECISION.--Within 28 days after the review committee receives a challenge, the committee shall--

(1) decide the challenge; and

(2) transmit to the party submitting the challenge a written notification of the decision together with a discussion of the rationale for the decision and an explanation of the party's right to appeal under subsection (E).

(E) APPEAL.–

(1) AUTHORIZATION OF APPEAL.–An interested party may appeal an adverse decision of the review committee within 10 days after receiving a notification of the decision under subsection (D).

(2) DECISION ON APPEAL.–Within 10 days after review committee receives an appeal of a decision under paragraph (1), the head of the review committee shall decide the appeal and transmit to the party submitting the appeal a written notification of the decision together with a discussion of the rationale for the decision.

Government Competition

ACEC members continue to report examples of federal agencies engaging in commercial activities, those activities which are traditionally done by the private sector, either through solicitation of work from other federal , state or local agencies or in some cases, marketing the agencies services to private sector owners. Agencies perform these activities either trough unfair competition with the private sector or often to the complete exclusion of private sector proposals

ACEC Position

ACEC expects the federal government to implement the 1998 Federal Activities Inventory Reform (FAIR) Act. Federal agencies are required to produce yearly inventories of their non-inherently governmental and to use these inventories to evaluate whether these activities would be better performed by the private sector. These evaluations and subsequent competitions should be conducted using true cost measurements, the statutory definition of inherently-governmental and the same procurement and contracting rules that the private sector must adhere to, including Brooks Act procedures. ACEC will continue to advocate that non-inherently governmental work should be performed by the private sector.

Legislative Background

With the signing into law of the FAIR Act (P.L.) , the Congress will gain new tools to force federal agencies to be accountable for their activities. The law's provisions include:

1) YEARLY INVENTORY: A mandated yearly inventory of all commercial activities performed by the government;
2) CHALLENGES TO THE INVENTORY: Standing for the private sector, including trade associations like ACEC, to challenge omissions from the list;
3) COMPETIVE COMPETITION: Require federal agencies to review each activity identified on the list and determine the most competitive method which includes the private sector for procuring those services;
4) REAL AND FAIR COST COMPARISONS: Any cost comparisons in a competition from the list will include all overhead costs
5) DEFINITION OF INHERENTLY GOVERNMENTAL: For the first time, a statutory definition of inherently governmental activities.

ACEC will request that Congressional Committee's hold oversight hearings of those agencies over which they hold jurisdiction. Agencies will be expected to provide detailed information of the commercial activities and justification for their performance. If the activities are not justified under the definition of inherently governmental or identified as the best value to the taxpayer, ACEC will recommend that those activities be competed to the private sector. ACEC will also continue to recommend a permanent preference for private sector performance of commercial activities and a prohibition on federal agencies performing work for other federal agencies or state and local governments.

Key Committees:

Senate Government Affairs; House Government Reform and Oversight
All Committees having jurisdiction over federal agencies

Projected Action:

The House and Senate Government Affairs and Government Reform Committees are expected to hold oversight hearings next year on implementation of the new law. Other Congressional Committees may hold oversight hearings over individual agency implementation.

Regulatory Background

ACEC has continued to promote a balance in the level of work that is outsourced by the federal government as compared to what is performed "in-house" by Federal Agencies. As the FAIR Act moves

to the regulatory phase in 1999, ACEC will use this principle to guide its recommendations on proposed regulations.

There remain a number of activities, which are considered "inherently governmental" and will continue to be in the best interest of the public if they are performed by the government. Activities that affect national security and those for which the government remains the only qualified agent remain in the realm of government activities and remain the responsibility of public entities. ACEC strongly believes that federal agencies should always maintain a core competency of experienced individuals who understand and have experience in the A/E field, and that the agencies should maintain training components designed to strengthen these core competencies.

However, those functions that are deemed commercial and from which the government can receive the best value by its performance by the private sector, should be outsourced. This best value can only be determined by conducting open competitions, which allow the opportunities for ACEC members to offer their services to the federal government.

Key Agencies/Departments
Office of Management and Budget (OMB)

Possible Action
OMB will be developing regulations in 1999 to implement the FAIR Act.

Link to Word(s) or Phrase in Context:

COMMITTEE REPORTS
SENATE GOVERNMENTAL AFFAIRS COMMITTEE
Senate Report 105-269 - To accompany S. 314
July 28, 1998

105TH CONGRESS
2d Session}SENATE{Report
105-269

FEDERAL ACTIVITIES INVENTORY REFORM ACT OF 1998

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TITLE PAGE

105th CONGRESS } SENATE { Report
2d Session } { 105-269

FEDERAL ACTIVITIES INVENTORY REFORM ACT OF 1998

July 28, 1998.--Ordered to be printed

Mr. THOMPSON, from the Committee on Govermental Affairs, submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany S. 314]

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Activities Inventory Reform Act of 1998".

SEC. 2. ANNUAL LISTS OF GOVERNMENT ACTIVITIES NOT INHERENTLY GOVERNMENTAL IN NATURE.

(a) LISTS REQUIRED.--Not later than the end of the third quarter of each fiscal year, the head of each executive agency shall submit to the Director of the Office of Management and Budget a list of activities performed by Federal Government sources for the executive agency that, in the judgment of the head of the executive agency, are not inherently governmental functions. The entry for an activity on the list shall include the following:

(1) The fiscal year for which the activity first appeared on a list prepared under this section.

(2) The number of full-time employees (or its equivalent) that are necessary for the performance of the activity by a Federal Government source.

(3) The name of a Federal Government employee responsible for the activity from whom additional information about the activity may be obtained.

(b) OMB REVIEW AND CONSULTATION.--The Director of the Office of Management and Budget shall review the executive agency's list for a fiscal year and consult with the head of the executive agency regarding the content of the final list for that fiscal year.

(c) PUBLIC AVAILABILITY OF LISTS.--

(1) PUBLICATION.--Upon the completion of the review and consultation regarding a list of an executive agency--

(A) the head of the executive agency shall promptly transmit a copy of the list to Congress and make the list available to the public; and

(B) the Director of the Office of Management and Budget shall promptly publish in the Federal Register a notice that the list is available to the public.

(2) CHANGES.--If the list changes after the publication of the notice as a result of the resolution of a challenge under section 3, the head of the executive agency shall promptly--

(A) make each such change available to the public and transmit a copy of the change to Congress; and

(B) publish in the Federal Register a notice that the change is available to the public.

(d) COMPETITION REQUIRED.--Within a reasonable time after the date on which a notice of the public availability of a list is published under subsection (c), the head of the executive agency concerned shall review the activities on the list. Each time that the head of the executive agency considers contracting with a private sector source for the performance of such an activity, the head of the executive agency shall use a competitive process to select the source (except as may otherwise be provided in a law other than this Act, an Executive order, regulations, or any Executive branch circular setting forth requirements or guidance that is issued by competent executive authority). The Director of the Office of Management and Budget shall issue guidance for the administration of this subsection.

(e) REALISTIC AND FAIR COST COMPARISONS.--For the purpose of determining whether to contract with a source in the private sector for the performance of an executive agency activity on the list on the basis of a comparison of the costs of procuring services from such a source with the costs of performing that activity by the executive agency, the head of the executive agency shall ensure that all costs (including the costs of quality assurance, technical monitoring of the performance of such function, liability insurance, employee retirement and disability benefits, and all other overhead costs) are considered and that the costs considered are realistic and fair.

SEC. 3. CHALLENGES TO THE LIST.

(a) CHALLENGE AUTHORIZED.--An interested party may submit to an executive agency a challenge of an omission of a particular activity from, or an inclusion of a particular activity on, a list for which a notice of public availability has been published under section 2.

(b) INTERESTED PARTY DEFINED.--For the purposes of this section, the term "interested party", with respect to an activity referred to in subsection (a), means the following:

(1) A private sector source that--

(A) is an actual or prospective offeror for any contract, or other form of agreement, to perform the activity; and

(B) has a direct economic interest in performing the activity that would be adversely affected by a determination not to procure the performance of the activity from a private sector source.

(2) A representative of any business or professional

association that includes within its membership private sector sources referred to in paragraph (1).

(3) An officer or employee of an organization within an executive agency that is an actual or prospective offeror to perform the activity.

(4) The head of any labor organization referred to in section 7103(a)(4) of title 5, United States Code, that includes within its membership officers or employees of an organization referred to in paragraph (3).

(c) TIME FOR SUBMISSION.--A challenge to a list shall be submitted to the executive agency concerned within 30 days after the publication of the notice of the public availability of the list under section 2.

(d) INITIAL DECISION.--Within 28 days after an executive agency receives a challenge, an official designated by the head of the executive agency shall--

(1) decide the challenge; and

(2) transmit to the party submitting the challenge a written notification of the decision together with a discussion of the rationale for the decision and an explanation of the party's right to appeal under subsection (e).

(e) APPEAL.--

(1) AUTHORIZATION OF APPEAL.--An interested party may appeal an adverse decision of the official to the head of the executive agency within 10 days after receiving a notification of the decision under subsection (d).

(2) DECISION ON APPEAL.--Within 10 days after the head of an executive agency receives an appeal of a decision under paragraph (1), the head of the executive agency shall decide the appeal and transmit to the party submitting the appeal a written notification of the decision together with a discussion of the rationale for the decision.

SEC. 4. APPLICABILITY.

(a) EXECUTIVE AGENCIES COVERED.--Except as provided in subsection (b), this Act applies to the following executive agencies:

(1) EXECUTIVE DEPARTMENT.--An executive department named in section 101 of title 5, United States Code.

(2) MILITARY DEPARTMENT.--A military department named in

section 102 of title 5, United States Code.

(3) INDEPENDENT ESTABLISHMENT.--An independent establishment, as defined in section 104 of title 5, United States Code.

(b) EXCEPTIONS.--This Act does not apply to or with respect to the following:

(1) GENERAL ACCOUNTING OFFICE.--The General Accounting Office.

(2) GOVERNMENT CORPORATION.--A Government corporation or a Government controlled corporation, as those terms are defined in section 103 of title 5, United States Code.

(3) NONAPPROPRIATED FUNDS INSTRUMENTALITY.--A part of a department or agency if all of the employees of that part of the department or agency are employees referred to in section 2105(c) of title 5, United States Code.

(4) CERTAIN DEPOT-LEVEL MAINTENANCE AND REPAIR.--Depot-level maintenance and repair of the Department of Defense (as defined in section 2460 of title 10, United States Code).

SEC. 5. DEFINITIONS.

In this Act:

(1) FEDERAL GOVERNMENT SOURCE.--The term "Federal Government source", with respect to performance of an activity, means any organization within an executive agency that uses Federal Government employees to perform the activity.

(2) INHERENTLY GOVERNMENTAL FUNCTION.--

(A) DEFINITION.--The term "inherently governmental function" means a function that is so intimately related to the public interest as to require performance by Federal Government employees.

(B) FUNCTIONS INCLUDED.--The term includes activities that require either the exercise of discretion in applying Federal Government authority or the making of value judgments in making decisions for the Federal Government, including judgments relating to monetary transactions and entitlements. An inherently governmental function involves, among other things, the interpretation and execution of the laws of the United States so as--

(i) to bind the United States to take or not to take some action by contract, policy, regulation, authorization,

order, or otherwise;

(ii) to determine, protect, and advance United States economic, political, territorial, property, or other interests by military or diplomatic action, civil or criminal judicial proceedings, contract management, or otherwise;

(iii) to significantly affect the life, liberty, or property of private persons;

(iv) to commission, appoint, direct, or control officers or employees of the United States; or

(v) to exert ultimate control over the acquisition, use, or disposition of the property, real or personal, tangible or intangible, of the United States, including the collection, control, or disbursement of appropriated and other Federal funds.

(C) FUNCTIONS EXCLUDED.--The term does not normally include--

(i) gathering information for or providing advice, opinions, recommendations, or ideas to Federal Government officials; or

(ii) any function that is primarily ministerial and internal in nature (such as building security, mail operations, operation of cafeterias, housekeeping, facilities operations and maintenance, warehouse operations, motor vehicle fleet management operations, or other routine electrical or mechanical services).

SEC. 6. EFFECTIVE DATE.

This Act shall take effect on October 1, 1998.

Amend the title so as to read: "A bill to provide a process for identifying the functions of the Federal Government that are not inherently governmental functions, and for other purposes.".

I. PURPOSE

The purpose of S. 314, the Federal Activities Inventory Reform Act of 1998, is to provide a process for executive agencies to identify activities that are not inherently governmental functions.

II. BACKGROUND

The Office of Management and Budget Circular A-76 establishes

administrative policy regarding the performance of activities that are not inherently governmental functions and sets forth procedures for determining whether such activities should be performed under contract with private sector sources or in-house using government facilities and personnel. The policy embodied in OMB Circular A-76, that the Federal government will rely on the private sector for goods and services that are not inherently governmental, is more than 40-years old. This policy first was promulgated through Bureau of the Budget Bulletins in 1955, 1957 and 1960. OMB Circular A-76 was issued in 1966 and revised in 1967, 1979 and 1983. In 1996, the Supplemental handbook to the circular was revised.

However, there continues to be activities which are not inherently governmental that the government performs for itself. The purpose of this legislation is to establish a process to evaluate those activities that remain in-house. This legislation does not affect the current Federal procurement system nor does it impair the ability of agencies to contract with the private sector for needed goods and services under that system.

Further, S. 314 is the result of a long and contentious debate, and all facets of the debate were considered in the development of this legislation. However, enactment of S. 314 represents only the first step. Its full implementation and vigorous congressional oversight are important next steps.

III. LEGISLATIVE HISTORY

S. 314, the Freedom From Government Competition Act of 1997, was introduced on February 12, 1997 by Senator Craig Thomas (for himself and Senators Brownback, Hagel, Enzi and Kyl). Senators Burns, Shelby, Grams, Mack, Cochran, Hutchinson, Faircloth, Helms, Allard, Wyden and Abraham became additional co-sponsors. S. 314 was referred to the Committee on Governmental Affairs and subsequently was referred to the Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia.

HEARINGS

On June 18, 1997, the Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia held a hearing on S. 314 to investigate the opportunities for greater competitive contracting within the Federal government as well as other privatization projects at the national level. The following witnesses presented testimony on S. 314: The Honorable Craig Thomas, U.S. Senator from Wyoming; the Honorable John J. Duncan, Jr. U.S. Representative from Tennessee; the Honorable John A. Koskinen, Deputy Director of the Office of Management and Budget; Mr. Samuel D. Kleinman, Director of the Center for Naval Analysis; Captain Burton Streicher, CEC, U.S. Navy, Director of Navy Outsourcing Support

Office; Mr. Charles S. Davis III, of Chamberlain, Davis, Rutan and Volk, and former Associate Administrator for Operations, General Services Administration; Mr. L. Nye Stevens, Director of Federal Management and Workforce Issues, General Government Division, U.S. General Account Office; Mr. John Sturdivant, National President of the American Federation of Government Employees, AFL-CIO.

Senator Thomas emphasized that government ought to be as small and lean and efficient as possible. He stated that it ought to take advantage of private sector expertise whenever that is appropriate. He summarized that S. 314 would require agencies to identify those areas that are commercial in nature as options for contracting; and then, through a fair process, the best provider, either government or private industry, would be selected. Senator Thomas stated that the process currently is delineated in OMB Circular A-76, but unfortunately the circular is routinely ignored by the executive agencies.

Representative John Duncan of Tennessee, who introduced companion legislation (H.R. 716) in the House, testified CBO currently estimates that 1.4 million Federal employees perform activities that are commercial in nature. Congressman Duncan stated that, under the bill, if it is established that these commercial services can be provided in a more efficient and cost effective manner from private industry, the agency would be required to compete the activity.

Mr. Koskinen testified that any legislation needs to be viewed against the ongoing reinvention efforts. He stated that his concern with S. 314 was that it mandates a particular approach rather than letting agencies examine their contract mix to make the best management decision. He also expressed the concern that S. 314 will result in a significant level of litigation.

Mr. Kleinman testified that, between 1979 and 1990, the Navy competed 25,000 positions--80 percent civilian and 20 percent military. He stated that, overall, the savings were 30 percent, and the public sector won half of the competitions. He said when the in-house team won, there were 20 percent savings, and when the private firm won, savings were 40 percent. Mr. Kleinman pointed out that the in-house savings seemed low because when no bidder produced savings, the competition was decided in favor of the in-house team, and these "no-saving competitions" are included in the in-house average. He stressed that competitions produce the best value for the government. Captain Streicher also shared his experience in conducting OMB Circular A-76 competition studies within the Navy.

Mr. Davis testified that the private sector is utilizing outsourcing more and more and cited the automobile industry as an example. He said the reason for private sector outsourcing is not

only for cost savings but a result of becoming more mission oriented. He recommended that, for government, outsourcing and competition should not be undertaken only because of cost effectiveness, but because it allows government executives to focus their attention on the mission and not be distracted with trying to manage all parts of the process. Mr. Davis noted that GSA achieved great savings and efficiencies utilizing OMB's A-76 process.

Mr. Stevens testified that incorporating best value criteria substantially had improved the bill. He stated that the governments visited by GAO indicated that there was a need to establish a dedicated organizational and analytical structure to carry the privatization initiative, and S. 314 addressed this. He expressed that greater monitoring and oversight of the contracting process will be necessary as a result of contracting out.

Mr. John Sturdivant expressed his strong support of OMB Circular A-76 and contended that the revisions made to A-76 make it a fair process. He also testified that the unions must be part of any competition process. Mr. Sturdivant emphasized that S. 314 is not needed because it is based on the notion that work currently performed by government personnel can be provided more cheaply through outsourcing. He stated that this is false. Mr. Sturdivant said he is committed to work with the Subcommittee to address his concerns.

On March 24, 1998, the Subcommittee held a joint hearing with the House Government Reform and Oversight Subcommittee on Government Management, Information, and Technology to focus on the re-draft of S. 314, also known as the Fair Competition Act. The bill was re-drafted as a result of the testimony provided at the previous hearing. The following witnesses appeared to present testimony on the re-draft of S. 314: The Honorable Craig Thomas, U.S. Senator from Wyoming; the Honorable John Duncan, U.S. Representative from Tennessee; the Honorable G. Edward Deseve, Acting Deputy Director for Management of the U.S. Office of Management and Budget; Mr. Skip Stitt, former Deputy Mayor of the City of Indianapolis; Mr. Bryan Logan, Chief Executive Officer of EarthData International on behalf of the Management Association for Private Photogrammetric Surveyors; Mr. Lawrence Trammell, Corporate Vice president and General Manager of Science Applications International Corporation on behalf of the Coalition for Taxpayer Value; Mr. Douglas K. Stevens, Jr., partner of Information Technology Services Group, Grant Thornton, LLP, representing the U.S. Chamber of Commerce; Dr. Steve Kelman, Weatherhead Professor of Public Management of Harvard University; Mr. Robert Tobias, National President of the National Treasury Employees Union; Mr. Bobby Harnage, President of the American Federation of Government Employees; and Mr. Michael Styles, National President of the Federal Managers Association.

Senator Thomas testified about the need for legislation because current policy, also known as OMB Circular A-76, routinely is ignored. He stressed that the legislation was re-drafted significantly based on input from OMB, GAO, private industry and labor unions to establish a simple and fair competitive process. Finally, Senator Thomas expressed his commitment to working with all interested parties on the legislation.

Congressman Duncan reiterated the need for a statutory requirement for an inventory of noninherently governmental functions in the Federal government and a level playing field for competition. He also expressed his concern that agencies are ignoring the current OMB A-76 guidelines.

Mr. DeSeve outlined OMB's fundamental principles that he hoped would be included in the final product of S. 314 and testified that the re-draft did not address these principles. In his testimony, Mr. DeSeve listed OMB's principles as follows:

1. The Administration's policy is to promote competition to achieve the best deal for the taxpayer -not simply to outsource.

2. Legislation must not increase the level of judicial involvement in the government's management decision as to whether or not to outsource.

3. Current guidance to promote competition is in place.

4. The complexities of public-public and public-private competitions must be reflected in any legislation.

5. Legislation needs to be fair and equitable to all interested parties.

6. Outsourcing must be viewed in the context of the larger reinvention effort.

7. Legislation must not require the head of each agency to undertake competition in accordance with a schedule mandated in law.

Mr. Stitt expressed the support of the City of Indianapolis for the focus of the S. 314 re-draft. He emphasized that, in Indianapolis, competition is the most powerful and productive tool in improving government services for citizens. Mr. Stitt also stressed the significant role strong leadership and employee participation plays in pursuing opportunities to improve government services.

Dr. Kelman testified about the importance of looking at

outsourcing as an issue of good management and not as an ideological issue. In addition, he suggested that good management practice in a government agency or private business is to focus on the core competency as an organization. The non-core responsibilities in an agency should be done by other organizations which have a core responsibility in that area. He added his support for allowing Federal workers to compete under the re-draft of S. 314, but expressed the need to include proper accounting for indirect costs, as well as past performance. Finally, he testified that every effort should be made to hold Federal employees harmless in the transportation to outsource.

Industry representatives, including Mr. Logan, Mr. Trammel, and Mr. Stevens, testified that the current competition policy of OMB Circular A-76 does not work and that the re-draft of S. 314 addresses this issue. Specifically, they added their support for a list of non-inherently governmental activities performed by the Federal government. They expressed, however, some concern about the public-private competition provisions in the re-draft.

Federal employee representatives, including Mr. Tobias, Mr. Harnage, and Mr. Styles, objected to the re-draft of S. 314 and expressed their specific concerns regarding the bill. A suggestion was made to require agencies to use a competitive process when a function is reviewed for outsourcing. They also expressed concern with prohibiting the conversion of contracted functions to in-house performance. Finally, they recommended that cost comparisons should be done for all service contracting.

COMMITTEE ACTION

On July 15, 1998, the Subcommittee on Government Management, Restructuring, and the District of Columbia returned S. 314 to the full Committee on Governmental Affairs for further action. The Committee considered a substitute amendment to S. 314 offered by Chairman Thompson at a business meeting on July 15, 1998. Chairman Thompson's substitute amendment represented an agreement reached among members of the Committee. The amendment requires Federal agencies to prepare a list of activities that are not inherently governmental functions that are being performed by Federal employees, submit that list to OMB for review, and make the list publicly available. It also establishes an "appeals" process within each agency to challenge what is on the list or what is not included on the list. It also creates a statutory definition--identical to current regulation--for what is an "inherently governmental function" that must be preformed by the government and not the private sector.

The Committee passed the Chairman's substitute amendment by voice vote and voted to report it to the full Senate. Senators

voting and present were: Thompson, Stevens, Collins, Domenici, Nickles, Levin, Lieberman, Akaka, and Cleland. Senators Roth, Brownback, and Cochran indicated their "yea" by proxy.

IV. SECTION-BY-SECTION ANALYSIS

SECTION 1. SHORT TITLE

This section states the short title of the bill.

SECTION 2. ANNUAL PUBLICATION OF LISTS OF GOVERNMENT ACTIVITIES NOT INHERENTLY GOVERNMENTAL IN NATURE

Lists Required.--This section would require, on an annual basis, an agency to submit to OMB a list of activities that, in the judgment of the agency head, are not inherently governmental and are performed by Federal employees. After consultation with the review by OMB, OMB would make the list publicly available and publish a notice of that availability in the Federal Register. The section also would require the list to be transmitted to Congress and updated whenever there are changes.

Competition Required.--Further, the section would require an agency, within a reasonable time, to review each activity on the list and, when competing activities, to use a competitive process to select the source to perform the activity. It is the Committee's expectation that OMB will work with Federal agencies to ensure that they proceed in a reasonable time frame with a competitive process for activities that are appropriate for competition. The Committee believes that there are many opportunities for competition and expects agencies to prioritize functions that are most likely to have a high payback from such competition. The Committee anticipates that OMB will review agency plans and schedules for competition under this section to ensure that such plans and schedules are reasonable and conform with Administration policy and with the requirements of this Act.

SECTION 3. CHALLENGES TO THE LIST

Subsection (a) of this section would provide authority for an interested party to challenge a particular activity omitted from or included on the list of activities which are not inherently governmental. Subsection (b) would define an interested party. Subsection (c) would provide that a challenge must be submitted to the agency within 30 days after the list has been published.

Subsection (d) would require an agency to act within 28 days after receiving such a challenge and to inform the challenger of its decision and its rationale for the decision. Subsection (e) would authorize an appeal to the head of the agency for an interested

party receiving an adverse decision.

The Committee intends for any challenges to the inventory list to be resolved solely at the agency level by the agency.

SECTION 4. APPLICABILITY

This section would provide the applicability of this Act to executive departments, military departments and independent agencies. Further, the section would specify that this Act not apply to government corporations, the General Accounting Office, and nonappropriated funds instrumentalities and would make explicit that depot-level activities of the Department of Defense are not affected in any respect by this Act.

SECTION 5. DEFINITIONS

This section would define:

(1) "Federal Government source" as an organization within an agency using Federal government employees. It is the Committee's intent to encompass Federal employees who are responsible for the technical execution of an activity or the preparation and delivery of the required goods or services. It is not the intent of the Committee to encompass in this definition Federal employees who are responsible for administrative, financial or program management oversight of a particular activity.

(2) "depot-level maintenance and repair" as it is defined in 10 U.S.C. 2460.

(3) "inherently Governmental function" as it currently is defined in FAR Part 7. The FAR currently includes a nonexclusive list of examples of functions considered to be inherently governmental or which are treated as such and a nonexclusive list of examples of functions generally not considered to be inherently governmental functions. It is the Committee's intent that both these lists be included as part of the definition of inherently governmental function in the implementing regulations for this Act.

SECTION 6. EFFECTIVE DATE

This section would provide for an effective date of October 1, 1998.

V. REGULATORY IMPACT STATEMENT

Paragraph 11(b)(1) of rule XXVI of the Standing Rules of the Senate requires that each report accompanying a bill evaluate "the regulatory impact which would be incurred in carrying out the bill."

The enactment of this legislation would not have a significant regulatory impact on the public, nor would it constitute an undue regulatory burden on any government agency.

VI. CBO COST ESTIMATE

U.S. Congress,
Congressional Budget Office,
Washington, DC, July 23, 1998.

Hon. Fred D. Thompson,
Chaiman, Committee on Governmental Affairs,
U.S. Senate, Washington, DC

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 314, the Federal Activities Inventory Reform Act of 1998.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is John R. Righter.

Sincerely,
JUNE E. O'NEILL, Director.

Enclosure.

S. 314--FEDEAL ACTIVITIES INVENTORY REFORM ACT OF 1998

S. 314 would require federal agencies to identify and list agency activities that could be performed by the private sector. The bill would require that the lists be made available to the public for inspection, and it would allow private-sector entities, agency employees and certain labor organizations to challenge the lists. CBO estimates that the enacting S. 314 would result in no significant annual cost to the federal government. Under OMB Circular No. A-76, agenceis are already required to maintain and annually update a baseline inventory of all in-house activities that could be performed by the private sector. In addition the circular requires them to make the lists available to the public upon request. This S. 314 would largely codify current administrative policy.

Because the bill would not affect direct spending or receipts, pay- as-you-go procedures would not apply. In addition, S. 314 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, and tribal governments.

The CBO contact for this estimate is John R. Righter. The estimate was approved by Paul N. Van de Water, Assistant Director

for Budget Analysis.

VII. ADDITIONAL VIEWS

S. 314, now known as the Federal Activities Inventory Act of 1998, is legislation that both the Federal government and private industry in America have needed for a long time. Put simply, this bill would require agencies to assemble a list of noninherently governmental--or commercial--functions performed in-house and subject some of them to competition.

There is a systems failure within the Federal agencies using the current competition process, also known as Office of Management and Budget (OMB) Circular A-76. When the Senate Oversight Subcommittee on Government Management, Restructuring, and the District of Columbia held two hearings on S. 314, witnesses from all sides of the issue testified about how Federal agencies ignore the competition process set forth by OMB A-76. The Subcommittee also held a third hearing focusing on this issue and why the OMB A-76 is not working.

When J. Christopher Mihm, Associate Director of Federal Management and Workforce Issues, General Government Division for the General Accounting Office testified before the Subcommittee on June 4, 1998, he explained that OMB A-76, when followed, has had a proven success record in increasing efficiency and producing savings. However, its use does not appear to be a high priority within OMB or Federal agencies as illustrated in the attached chart. As a result, agencies such as the Departments of Education, Housing and Urban Development, and Justice have ignored the requirements under OMB A-76 for the last 11 years. These agencies have not studied any potential commercial activity in their agency in that time. In addition, Mr. Mihm testified that OMB has not provided the leadership needed for a successful competition policy.

At the same hearing, Mr. G. Edward DeSeve, Acting Deputy Director for Management of the U.S. Office of Management and Budget expressed OMB's commitment to work with Federal agencies and explained OMB's recent call to agencies for an updated commercial inventory. He also acknowledged the inaccuracies in the agencies' most recent A-76 inventories of commercial functions.

S. 314, as passed by the Senate Governmental Affairs Committee, addresses some of the flaws that both Mr. Mihm and Mr. DeSeve included in their testimony. First, Federal agencies will be required to make available to the public a list of noninherently governmental activities performed by the in-house. Second, the bill includes a process within each agency that would allow all interested parties to challenge items which are included or not included on the list. Third, under this legislation, OMB must take

an active leadership role in implementing the requirements of this bill.

I am concerned, however, that S. 314 as reported by the Senate Governmental Affairs Committee does not fully address whether the activities on the list should be subject to competition. Throughout the hearings on this bill, witnesses from all sides on this issue repeated the need for a level playing field in any competition policy of commercial activities performed by the Federal government. S. 314, however, requires a competition on commercial activities only when an agency considers contracting with the private sector. In other words, like OMB A-76, an agency has the option to ignore the competition policy under S. 314 by simply refusing to consider outsourcing a commercial function. I consider this bill a first step toward ensuring that commercial activities performed by the government will be competed in a timely manner. The original intent of this legislation was to create a fair competition process but this provision maintains one of the fundamental flaws of OMB A-76. It is my hope that agencies, in consultation with OMB, will consider contracting with the private sector with any commercial activity which meets the criteria set forth in the bill.

As chairman of the Senate Oversight Subcommittee on Government Management, Restructuring, and the District of Columbia, I am committed to having thorough Congressional oversight on the implementation of this bill. I congratulate the sponsor of this legislation, Senator Craig Thomas, for bringing everyone together to reach an agreement with all parties involved. I look forward to continue working with him and my colleagues on the Committee and Subcommittee in our oversight efforts.
SAM BROWNBACK.

[Chart/Table 1]

VIII. CHANGES TO EXISTING LAW

There are no modifications of existing law.

Source: Government Printing Office
From CQ Committee Reports Service
Providing government documents on demand, in context.
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PRIVATIZATION

New York City
Economic Development
Corporation

November 5, 1999

Dear Potential Proposer:

You are cordially invited to attend a meeting with representatives of the New York City Economic Development Corporation (**'EDC"**) and its advisors to be held on November 30, 1999 at the EDC offices, 110 William Street, New York, NY 10038, 4th Floor Conference Room A/B, beginning at 2:00 PM.

As stated in the Request for Proposals for the Long-term Management, Operation and Development of the City's Airports (the "RFP"), this meeting will provide you and other Registered Proposers with an opportunity to ask questions and offer comments regarding the contents of the RFP.

In order to make the meeting as informative as possible, we recommend that you submit written questions and comments by **November 15th**. This will enable EDC and its advisors to prepare responses for the meeting.

Please note that the Proposal Due Date is January 14, 2000.

Please inform me if you plan to attend the meeting, and direct your advance questions or comments to me. I can be reached by telephone at (212) 312-3969; by facsimile (212)312-3918; and by e-mail at celmore@nycedc.com.

Also, attached is Amendment #1 to the RFP.

Sincerely,

Cheryl Elmore

Cheryl Elmore
Director

110 William Street, New York, NY 10038 212/619 5000

DRAFT

RFP AMENDMENT #1

Language to be deleted is represented as "~~xxxx~~" and new language as "xxxx".

SECTION I (C) is amended, as follows:

C. Instructions

All persons known to have received this Request are "Potential Proposers". Persons wishing to receive the Information Package ~~and such addenda to this Request as may be issued~~ ("Registered Proposers") must provide their name, title, firm or organization, mail and e-mail addresses, and telephone and facsimile numbers to the Project Manager, to Rothschild Inc. (Financial Advisor to EDC) and to Winthrop, Stimson, Putnam & Roberts (Legal Advisor to EDC) at the addresses below.

***

Prior to submitting its Proposal, the Proposer may request clarifications or make comments on the Request. All requests must be in writing to the Project Manager, with copies to the Financial and Legal Advisors. EDC may respond to these questions or comments in its sole discretion. Any responses will be in writing and will be distributed to all ~~Registered~~ Potential Proposers, in EDC's discretion, via e-mail, fax and/or first-class mail. Question and comments received after December 1, 1999 (?) will not receive responses.

SECTION I (F) is amended, as follows:

F. ~~Registered~~ Potential Proposers' Meeting

~~Registered~~ Potential Proposers will be invited to meet with representatives of EDC and its advisors. The meeting will be held on and at a time and place to be announced for the purpose of allowing ~~Registered~~ Potential Proposers to ask questions and offer comments regarding the contents of this Request.

New York City
Economic Development
Corporation

October 13, 1999

Dear Respondent:

The New York City Economic Development Corporation (EDC) is seeking proposals on behalf of the City of New York (City) for a long term relationship with a provider to assume the management and operation of two City-owned airports – John F. Kennedy International Airport (JFK) and LaGuardia Airport (LGA) (the Airports) – when the lease with the current operator expires in 2015, or earlier if the lease is terminated before 2015.

This is a unique long-term project, and the details of this solicitation reflect the challenges of such an undertaking. EDC seeks a provider with a high level of commitment, experience, foresight and creativity for a project that spans decades. The successful applicant must demonstrate both managerial and operational abilities for complex multi-year project planning and operations.

The relationship would begin immediately, with the provider serving in a consulting role to either the City or EDC. The provider would advise on airport matters, perform detailed planning for airport development, and prepare for a smooth, efficient transition of responsibility from the current operator to the provider.

Beginning as soon as the lease expires or is terminated, the successful applicant would move from a consulting and planning role to that of a full-fledged operator, manager and development coordinator of the Airports, and would continue to serve in that capacity over the long term.

It is essential to put this arrangement in place now to set a firm foundation for Airport improvements in the 21st Century, and to assure Airport users and the traveling public of the Airports' secure future.

The Airports are among the City's most valuable assets. They are critical parts of the City's transportation infrastructure, essential to the City's continued economic vitality. By rights, they should be deriving enormous benefits from their significant advantages – for example, their close proximity to the City, which, apart from being the nation's largest source of origin and destination passengers, is enjoying record levels of tourism and an unprecedented degree of broad-based economic success.

■ 110 William Street, New York, NY 10038 212/619 5000

Yet there is no doubt that the Airports could be more efficiently and effectively operated, with a customer-driven focus. Under their current operator, the Port Authority of New York and New Jersey (Port Authority), the Airports have signally failed to meet user expectations. For example:

- one passenger survey of 31 airports in the U.S., Canada and Europe ranked JFK last
- another study of the 36 largest U.S. airports ranked LGA 31st and JFK 35th
- the growth of JFK's and LGA's aircraft operations, passenger traffic and cargo volume has significantly lagged that of their neighbor, Newark International Airport ("EWR"). The attached graphs illustrate this. (*Sources:* Port Authority; Airports Council International – North America.)

One reason is that the Port Authority has been diverting Airport revenues for years. The Port Authority uses hundreds of millions of dollars a year generated by JFK and LGA (approximately $150 million in 1998 alone) for non-New York, non-Airport purposes, including large subsidies to New Jersey PATH commuter trains, instead of reinvesting the money in the Airports. Taking hundreds of millions of dollars "off-Airport," the Port Authority has deprived JFK and LGA of funds that should have been devoted to enhancing those Airports' safety, capacity, efficiency and convenience. The City is dedicated to reversing the Port Authority's revenue diversion as soon as possible – and reinvesting Airport revenues where they belong, in the Airports themselves.

Furthermore, with only 15 years remaining on the Port Authority lease, doubts have arisen about carriers' ability to obtain financing for Airport development (which typically has a 30-year time frame) and the Airports' ability to obtain federal improvement grants (which typically have a 20-year time frame). Entering into a long term relationship with a proven world-class airport manager will go far toward dispelling such doubts, making it clear that the Airports' lifespan extends far beyond 2015.

The Airports stand in urgent need of fundamental re-engineering and significant additional reinvestment to improve the quality of their facilities, customer service, ease of access, and overall management. It will take first-rate innovative planning and execution to bring the Airports' management and operations back to the preeminence they deserve, and to put the Airports on a development path that anticipates change and effectively integrates best practices in all areas. For that reason, EDC encourages proposals that meet the City's objectives of improving the Airports' quality and competitiveness in a creative and practical way.

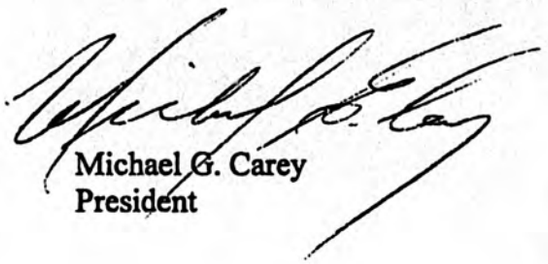
It is anticipated that the vehicle for accomplishing this will be a consulting, oversight, management, operation and development agreement to be entered into with EDC or the City, commencing as soon as practicable. Under that agreement, the designated entity will (a) provide consulting and oversight services related to the Airports' management and operations during the remaining term of the current lease (Phase I), and (b) from then on assume full responsibility for the Airports' management, operation and development (Phase II).

EDC also encourages proposals that include other business arrangements that, in the proposer's judgment, would as effectively (or more effectively) accomplish the City's objectives.

Any such arrangement is expected to be binding and durable, so as to provide the City with continuing expert advice and consultation during Phase I of the agreement, and, during Phase II, to provide the successful applicant with the confidence to make a long-term financial commitment, and to enable the successful applicant to obtain commitments from investors, lenders, air carriers, concessionaires and others.

EDC welcomes your proposals and looks forward to a fair and fruitful competition.

Sincerely,



Michael G. Carey
President

Chart 1: Operations 1980-1998

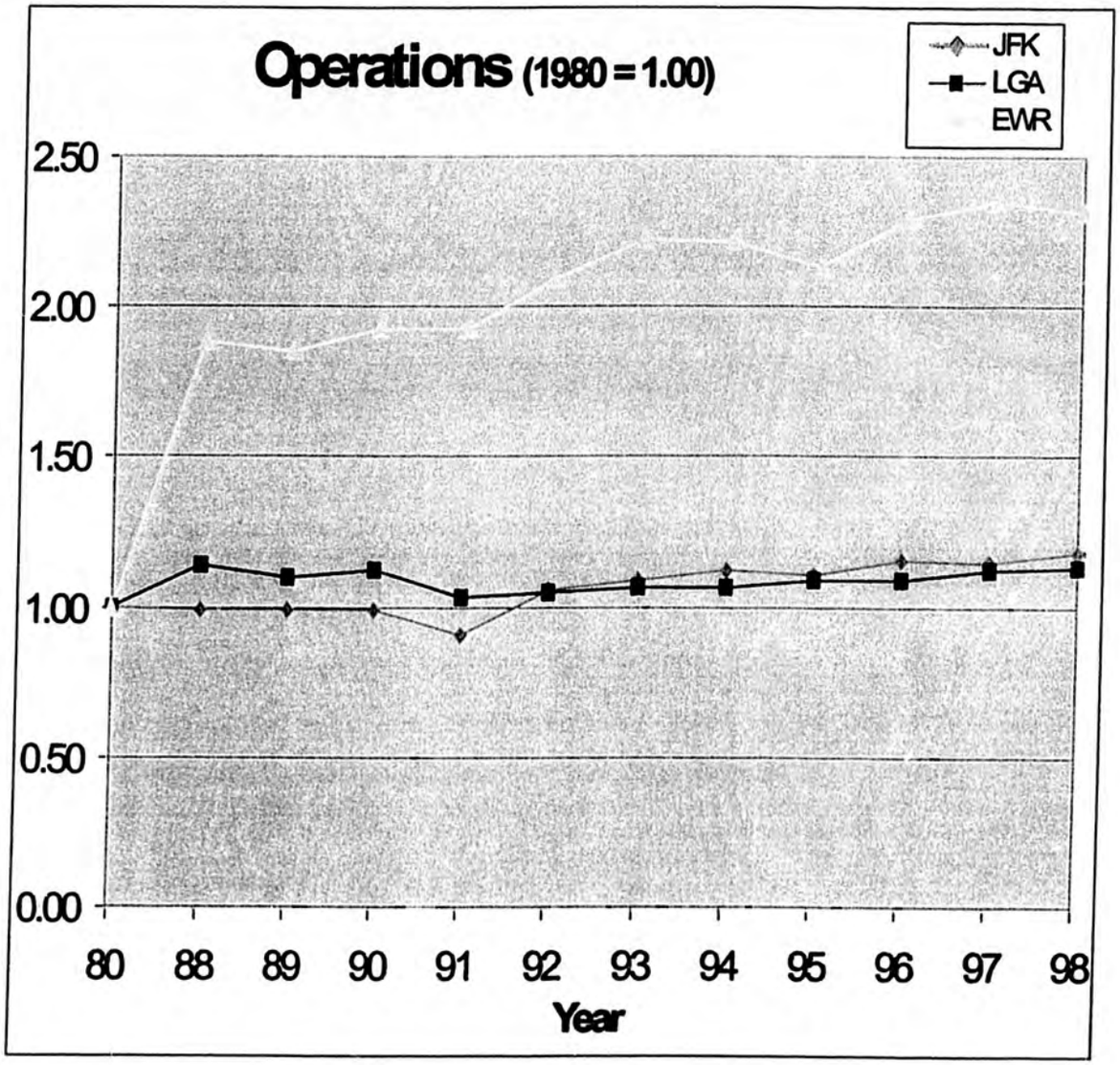


Chart 2: Passengers 1980-1998

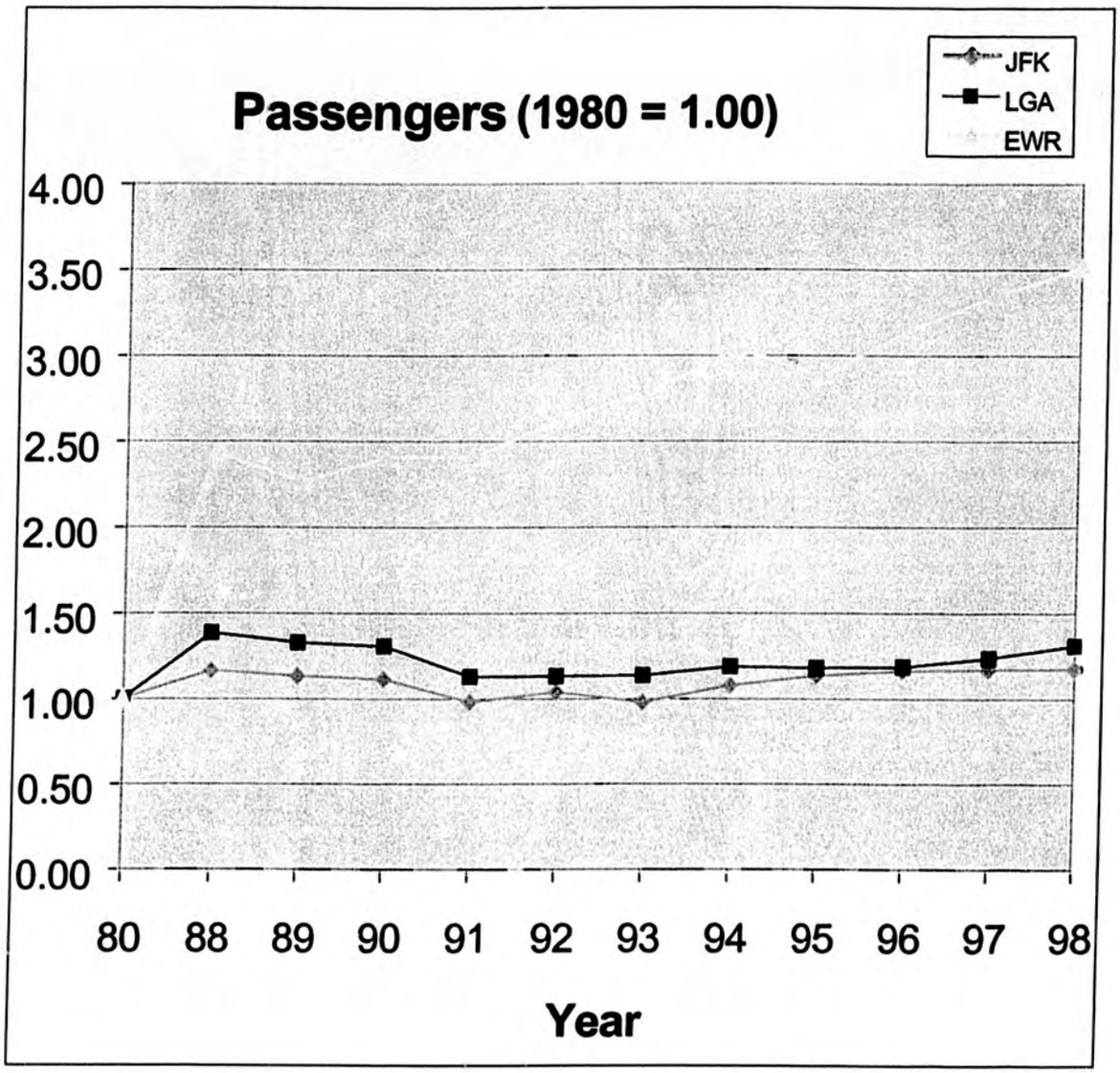
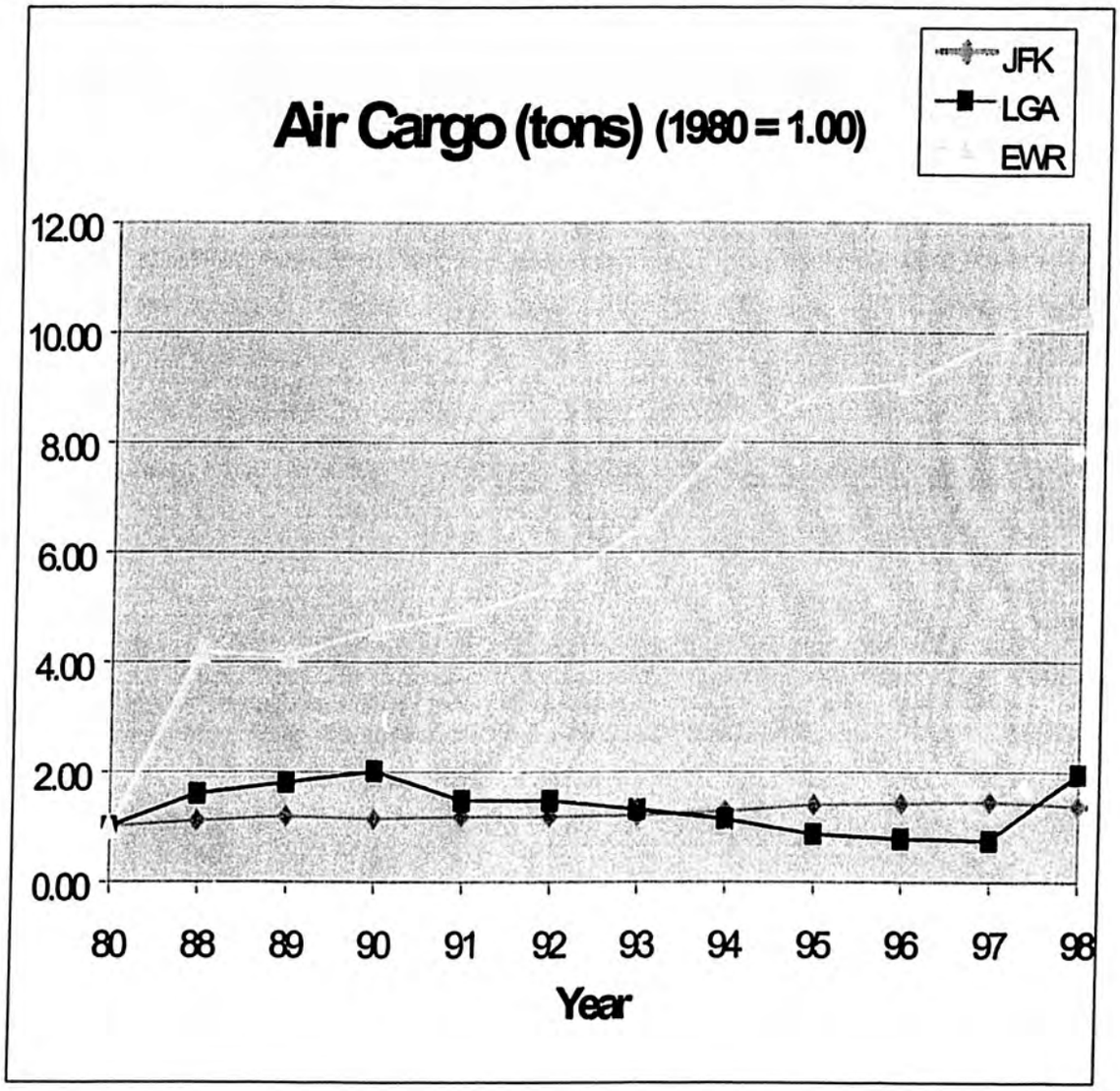


Chart 3: Air Cargo 1980-1998



Operations:

YEAR	JFK	LGA	EWR
1980	307,527	317,633	196,781
1988	304,490	362,072	370,331
1989	305,058	349,054	365,106
1990	303,716	356,358	379,653
1991	277,761	326,776	378,787
1992	323,448	332,353	411,078
1993	333,813	337,139	438,491
1994	343,599	337,739	436,676
1995	340,098	345,488	420,520
1996	355,214	345,647	450,925
1997	353,282	354,921	462,348
1998	362,182	358,045	456,232

Passengers:

YEAR	JFK	LGA	EWR
1980	26,796,066	17,467,962	9,223,260
1988	31,165,676	24,158,780	22,495,568
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1991	26,229,068	19,682,256	22,276,396
1992	27,760,912	19,745,847	24,284,248
1993	26,796,849	19,804,566	25,809,413
1994	28,819,243	20,730,467	28,019,984
1995	30,375,378	20,599,210	26,623,807
1996	31,155,411	20,699,136	29,107,459
1997	31,353,390	21,596,893	30,915,857
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1989	1,387,963	63,504	441,434
1990	1,331,182	70,792	495,407
1991	1,383,646	52,002	522,366
1992	1,383,842	52,205	577,003
1993	1,413,903	46,488	699,321
1994	1,499,121	40,375	872,699
1995	1,637,677	30,484	958,419
1996	1,667,550	27,690	975,906
1997	1,698,968	26,652	1064000
1998	1,604,422	68,781	1,101,000

New York City
Economic Development
Corporation

NOTICE

RE: NEW YORK CITY AIRPORT PRIVATIZATION

REQUEST FOR PROPOSALS [RFP]

PLEASE NOTE THAT THE SUBMISSION DUE DATE FOR THE ABOVE-REFERENCED RFP IS JANUARY 14, 2000, BY 2:00PM, AND NOT DECEMBER 15, 1999, BY 2:00PM.

■ 110 William Street, New York, NY 10038 212/619 5000

John F. Kennedy International Airport
LaGuardia Airport

Request for Proposals
for the
Long-term Management, Operation and Development of the City's Airports

DUE January 14, 2000

Rudolph W. Giuliani, Mayor

Anthony P. Coles, Senior Advisor to the Mayor

John S. Dyson, Chairman, Council of Economic Advisors

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I. INTRODUCTION

A. Purpose of the Request

The New York City Economic Development Corporation ("EDC"), a not-for-profit corporation designated by the City of New York (the "City") to promote economic development in the City, issues this Request for Proposals ("Request") to elicit proposals (each, a "Proposal") from individual firms or teams of firms (each, a "Proposer") to enter into one or more arrangements for the oversight, management, operation and development of one or both of two City-owned airports: John F. Kennedy International Airport ("JFK") and LaGuardia Airport ("LGA") (the "Airports").

The City seeks a long term relationship with a provider, initially to provide oversight and consulting services for the Airports, and ultimately to assume management and operation duties at the Airports when the City's lease with the current operator expires at the end of 2015 – or upon earlier termination of that lease. The Port Authority of New York and New Jersey (the "Port Authority") operates the Airports under a Municipal Air Terminals Lease (the "Lease") that expires December 31, 2015.

This is a unique long term project, and the details of this Request reflect the challenges of such an undertaking. The provider must bring high levels of commitment, experience, foresight and creativity to a project that spans decades. The successful applicant must demonstrate both managerial and operational abilities for complex multiyear project planning and operations.

The Request anticipates a two-phase agreement to be entered into between the successful applicant and EDC or the City, commencing as soon as practicable:

- *Phase I – Consulting*: The provider would take on a consulting role to advise on Airport matters, perform detailed planning for post-2015 Airport development, and prepare for a smooth, efficient transition of responsibility from the Port Authority.

- *Phase II – Operation, Management and Development*: Beginning January 1, 2016 (or upon earlier termination of the existing lease) the successful applicant would move from a consulting and planning role to that of a full-fledged operator, manager and development coordinator of the Airports, and would continue to serve in that capacity over the long term, compensated out of Airport revenues.

The Challenge, in the first phase of the project, is to advise the City with respect to ongoing Airport operation and to plan major long term improvements for two of the City's prime assets, which also happen to be two of the world's premier airports.

By rights, the Airports should be deriving enormous benefits from their significant advantages, for example

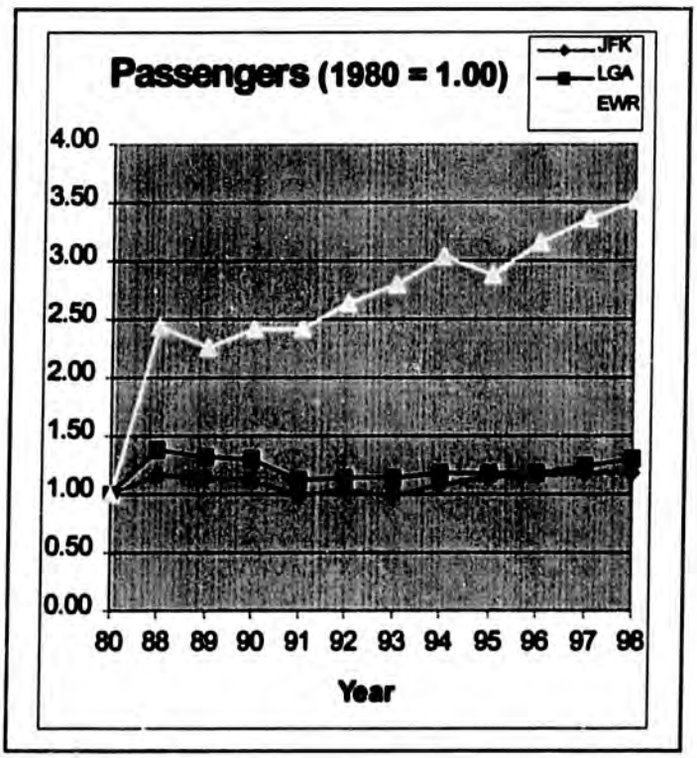
- Their close proximity to the City, which, apart from being the nation's largest source of origin and destination passengers, is enjoying record levels of tourism and an unprecedented degree of broad-based economic success, and

- JFK's historically favored treatment in bilateral aviation agreements and its broad array of foreign air carriers.

Yet, under the Port Authority's administration, the Airports have noticeably lagged behind many of their competitors, especially Newark International Airport ("EWR"), in many areas.

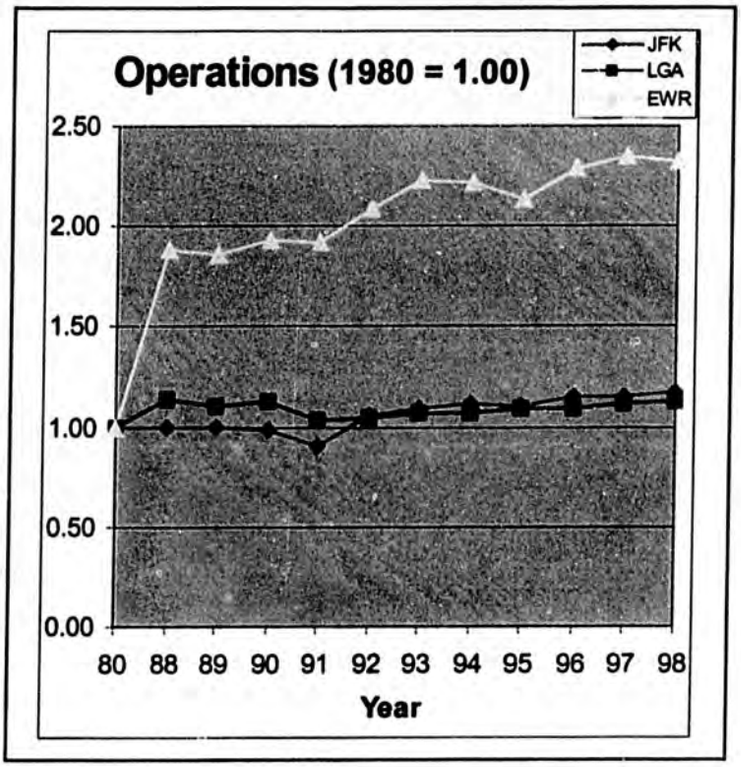
For example, in a passenger survey of 31 airports in the U.S., Canada and Europe, JFK ranked last. Another study of the 36 largest U.S. airports ranked LGA 31st and JFK 35th. As detailed in the graphs below, in the past two decades JFK operations (that is, aircraft take-offs and landings) have shown only a 17.8 percent increase (from 307,527 in 1980 to 362,182 in 1998). Total passenger volume, similarly, has increased by only 17.2 percent (from 26.8 million in 1980 to 31.4 million in 1998). Meanwhile, EWR has burgeoned. Operations at EWR have grown by 131 percent (from 196,781 in 1980 to 456,232 in 1998). Passenger volume at EWR has soared by 253 percent (from 9.2 million in 1980 to 32.5 million in 1998).

LGA, like JFK, has failed to use its natural advantages to the fullest. For example, in a decade of overall industry growth, not only did LGA's operations not increase; they fell: from 362,072 in 1988 to 358,045 in 1998. LGA's passenger volume, likewise, dropped from 24,158,780 in 1988 to 22,846,488 in 1998.

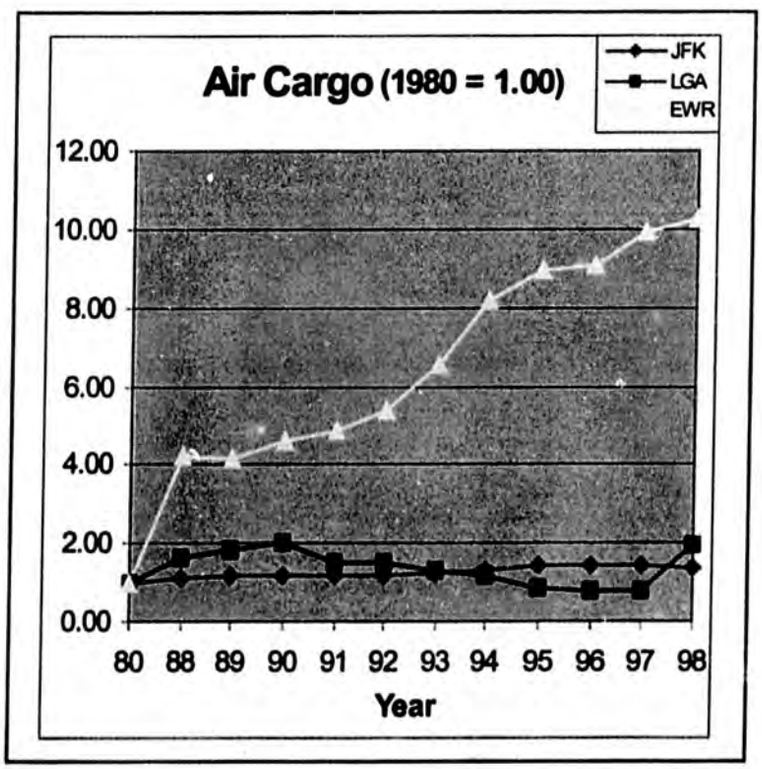


Passengers:			
YEAR	JFK	LGA	EWR
1980	26,796,066	17,467,962	9,223,260
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1989	30,323,077	23,158,317	20,927,946
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1996	31,155,411	20,699,136	29,107,459
1997	31,353,390	21,596,893	30,915,857
1998	31,436,478	22,846,488	32,400,000

Sources: Port Authority; Airport Council International – North America



Operations:			
YEAR	JFK	LGA	EWR
1980	307,527	317,633	196,781
1988	304,490	362,072	370,331
1989	305,058	349,054	365,106
1990	303,716	356,358	379,653
1991	277,761	326,776	378,787
1992	323,448	332,353	411,078
1993	333,813	337,139	438,491
1994	343,599	337,739	436,676
1995	340,098	345,488	420,520
1996	355,214	345,647	450,925
1997	353,282	354,921	462,348
1998	362,182	358,045	456,232



Air Cargo (tons):			
YEAR	JFK	LGA	EWR
1980	1,169,815	35,257	107,167
1988	1,300,886	56,489	449,829
1989	1,387,963	63,504	441,434
1990	1,331,182	70,792	495,407
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1995	1,637,677	30,484	958,419
1996	1,667,550	27,690	975,906
1997	1,698,968	26,652	1064000
1998	1,604,422	68,781	1,101,000

Sources: Port Authority; Airport Council International - North America

The Opportunity, in the second phase of the project, is to achieve and sustain a thoroughgoing revitalization of two of the world's premier airports by applying operational expertise, best management practices and innovative development approaches.

EDC also encourages Proposals that include other business arrangements that, in the Proposer's judgment, would as effectively (or more effectively) accomplish the City's objectives.

EDC is particularly interested in receiving Proposals from public- and private-sector contractors with a demonstrated capability to plan and accomplish entrepreneurial, creative, cost-effective approaches to airport management and operation.

The City and EDC have been advised that they have the power and authority to enter into these arrangements.

Proposers must submit Proposals in accordance with the terms and conditions of this Request as set forth below.

B. Objectives

The City's objectives reflect the vital importance of the Airports to the City's transportation infrastructure and continuing economic development, and include:

- Insuring the smooth and successful transition of Airport operations to a designated manager
- Developing short- and long-term strategic plans for transforming the Airports from their current low-level status into preeminent, state-of-the-art, first class facilities
- Encouraging and facilitating robust, ongoing capital investment in the Airports
- Dedicating hundreds of millions of dollars of Airport revenues each year to New York and Airport-related purposes, consistent with applicable law
- Stopping the diversion of hundreds of millions of dollars of Airport revenues each year to non-Airport, non-New York purposes
- Encouraging new and additional passenger and air cargo service at the Airports
- Providing high quality customer service to passengers, air cargo customers, airlines and tenants
- Improving all aspects of airside and landside operations and Airport facilities (particularly terminal facilities)
- Improving ground access to the Airports
- Improving the Airports' international competitive positions by aggressively marketing and attracting new and additional foreign air transportation by U.S. and foreign air carriers
- Reducing overhead and eliminating inefficiencies in Airport operations so as to cut costs substantially
- Developing and operating the Airports so that the costs to airlines and other customers are competitive with costs at other major airports, with a significant reduction in landing fees

- Increasing non-transportation revenues significantly by developing and improving the operations of the concessions and retail outlets at the Airports
- Reducing the incidence of crime, including that relating to air cargo operations, parking and taxis
- Continuing to ensure safety and compliance with all applicable laws and regulations
- Gaining a fair revenue from the Airports, consistent with applicable law.

Proposers must demonstrate their ability to address or meet each of these objectives – in Phase I of the contract by providing oversight and advice to the City concerning Airport operation; in Phase II of the contract by directly fulfilling operational responsibilities.

C. Instructions

Persons wishing to receive the Information Package and such addenda to this Request as may be issued ("Registered Proposers") must provide their name, title, firm or organization, mail and e-mail addresses, and telephone and facsimile numbers to the Project Manager, to Rothschild Inc. (Financial Advisor to EDC) and to Winthrop, Stimson, Putnam & Roberts (Legal Advisor to EDC) at the addresses below. All communications about this Request must be made in writing by mail or facsimile to the Project Manager with a copy to the Financial Advisor and the Legal Advisor.

Project Manager:

Michael G. Carey
President
New York City Economic
Development Corporation
110 William Street
New York, NY 10038
(212) 312-3500
Fax: (212) 312-3913

Financial Advisor:

Wilbur L. Ross, Jr.
Rothschild Inc.
Suite 5100
1251 Avenue of
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New York, NY 10020
(212) 403-3581
Fax: (212) 403-3578

Legal Advisor:
Kenneth P. Quinn, Esq.
Winthrop, Stimson, Putnam & Roberts
1133 Connecticut Avenue, N.W.
Washington, DC 20036
(202) 775-9898
Fax: (202) 833-8491

All original Proposals must be received no later than 5:00 p.m. local time on January 14, 2000 (the "Proposal Due Date").

Each Proposer must submit with its Proposal a nonrefundable deposit of twenty-five thousand dollars ($25,000) in the form of a certified or bank check made payable to "New York City Economic Development Corporation" (the "Deposit"). Proposals for which a Deposit is not submitted will not be considered.

Prior to submitting its Proposal, the Proposer may request clarifications or make comments on the Request. All requests must be in writing to the Project Manager, with copies to the Financial and Legal Advisors. EDC may respond to these questions or comments in its sole discretion. Any responses will be in writing and will be distributed to all Registered Proposers, in EDC's discretion, via e-mail, fax and/or first-class mail. Questions and comments received after January 1, 2000 will not receive responses.

D. Information Package

An information package ("Information Package") will be sent to each Registered Proposer upon receipt of the Registered Proposer's written request for the Information Package and a certified check or money order, payable to "New York City Economic Development Corporation," in the amount of $100.

E. Site Visits and Additional Due Diligence

EDC anticipates that it will schedule site visits in coordination with the Port Authority. In such a case, the Registered Proposer must execute and deliver to the Project Manager a Release and Hold Harmless Agreement in the form of Appendix D to this Request not fewer than five business days prior to the visit.

It is anticipated that Proposers will also seek to obtain further information for due diligence purposes from relevant sources. EDC will reasonably cooperate with Proposers' efforts to obtain that information. Any costs associated with such cooperation will be for the respective Proposer's account.

F. Registered Proposers' Meeting

Registered Proposers will be invited to meet with representatives of EDC and its advisors. The meeting will be held on at a time and place to be announced for the purpose of allowing Registered Proposers to ask questions and offer comments regarding the contents of this Request.

G. Federal Airport Privatization Pilot Program

The Federal Aviation Authorization Act of 1996 (the "Act") establishes a program (the "Pilot Program") that authorizes the government to grant, to not more than five airports, exemptions from certain Federal requirements. The most significant of these are (a) exemption from limitations on use of airport revenue for non-airport purposes, and (b) exemption from obligations to repay Federal airport grants.

At present the City does not intend to apply for the Pilot Program, but it intends to keep the Pilot Program option open for both Airports. Therefore, each Proposer should inform itself about the requirements of the Pilot Program and affirm its willingness and ability to adhere to the conditions of the Pilot Program and to cooperate fully with the City, if requested, in pursuing approval for the Airport(s) under the Pilot Program.

II. DESCRIPTION OF JOHN F. KENNEDY INTERNATIONAL AIRPORT AND LAGUARDIA AIRPORT[1]

A. Airport Layouts

Airport layouts are included in the Information Package.

B. Airport Facts

(1) John F. Kennedy International Airport

JFK is located in southeastern Queens County, on Jamaica Bay. It covers 4,930 acres, 880 of which comprise the central terminal area.

---

[1] *Sources: Port Authority; EDC.*

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---

[1] *Sources: Port Authority; EDC.*

(a) Central Terminal Area

The central terminal area ("CTA") consists of nine airline passenger terminals. (A tenth, the Tower Air Terminal, is situated elsewhere.) The CTA has 173 aircraft gate positions.

(b) JFK Terminals

Terminal 1, consisting of 634,000 square feet and 11 aircraft gates, is used by a number of foreign carriers.

Delta occupies Terminals 2 and 3.

Terminal 4 (formerly the International Arrivals Building) has 35 aircraft positions and serves approximately 25 airlines.

Terminal 5 and Terminal 6, which opened in 1962 and 1969 respectively, are used by Trans World Airlines.

Terminal 7, with 350,000 square feet and 12 gates, is used by British Airways and United Airlines.

Terminal 8 and Terminal 9 serve, respectively, American Airlines' international and domestic flights.

(c) Private Development at JFK

Proposers should take into account the privately-planned and privately-managed development projects that are currently planned or underway at the Airports.

Since 1990, major air carriers and other private entities have invested hundreds of millions of dollars in new or renovated facilities at JFK. For example, in May 1997, JFK International Air Terminal LLC (a joint venture among LCOR Incorporated, Schipol USA and Lehman Brothers) entered into a 25-year sublease to renovate and operate the International Arrivals Building (Terminal 4) at a cost of approximately $1.2 billion. The project is being financed by tax-exempt bonds, private equity and operating cash flow. The new terminal is expected to be complete by 2001.

A number of other private initiatives have made use of City Industrial Development Agency ("IDA") financing:

Before 1994, the IDA issued some $246 million in bonds for improvement projects undertaken by American Airlines, Inc. (1990); Air France (1990); Japan Airlines Management Corp. (1991); and Nippon Cargo Airlines (1992).

Projects **since 1994**, involving more than $820 million in IDA bonds, are summarized below:

British Airways, plc

- $115,000,000 Air Passenger Terminal Project
- Project financing closed: December 8, 1998
- Project scheduled completion: December 31, 2001
- Project location: Building 59 (Terminal 7), JFK

British Airways, plc ("BA") is renovating its existing terminal, constructing an addition, and doubling the parking capacity near the terminal. The project will include the purchase of the leasehold improvements of United Airlines, a BA tenant. The terminal refurbishment will increase by 50,000 square feet, to a total of 500,000 square feet, the space available for BA and tenant operations. When the project is completed, the

improved terminal will house expanded check-in capacity; new vertical circulation; increased retail space (from 25,000 square feet to 38,000 square feet); relocated and improved security checkpoints; expanded lounges; reconfigured and expanded immigration check-ins; and an expanded meeter and greeter arrival lobby.

United Airlines, Inc.

- $34,235,000 Air Cargo and Air Passenger Terminal Project
- Project financing closed: July 31, 1997
- Project scheduled completion: December 1, 2000
- Project location: Hangars 8 and 19 and Terminal 7, JFK

United Airlines ("United") financed the construction of a new cargo and administration facility on an 18 acre site (Hangar 8) and renovated its existing buildings at Hangar 19 and Terminal 7. The Hangar 8 project involved construction of two buildings, (a) a 90,000 square foot cargo building with cargo handling/storage area and administrative office space as well as eighteen vehicle loading docks; and (b) a 60,000 square foot building for ground service equipment with service bays for vehicle maintenance, a medical unit for United personnel, and locker rooms. On the Hangar 19 site, United renovated the existing building, including asbestos abatement, work dock repair, and mechanical system upgrades. United also renovated and remodeled Terminal 7, which included gate modification to permit parking of larger aircraft, expansion of the Red Carpet Club/First Class Lounge, and upgrade of computer and communication systems.

Air Express International Corporation

- $19,000,000 Air Cargo Project
- Project financing closed: July 16, 1997
- Project completed: December 31, 1998
- Project location: Buildings 88 and 89, JFK

Air Express International Corporation ("AEI") is a worldwide air freight forwarder based in Darien, Connecticut. The project involved demolition of Buildings 88 and 89 at JFK and construction of an approximately 115,000 square foot facility, with offices on two levels and warehousing space on one level.

Northwest Airlines

- $32,795,000 Air Cargo Project
- Project financing closed: June 30, 1997
- Project completed: June 30, 1999
- Project location: Hangars 1 and 2, JFK

Northwest Airlines, Inc. ("Northwest") demolished Hangars 1 and 2 and constructed a new air cargo facility on the 23-acre site. The new facility consists of two structures, the Cargo Building and the Maintenance Building. The Cargo Building is approximately 65,000 square feet and houses a cargo handling area, a unit loading device storage system, a shipper loaded airline container dock, and an administrative office area. The Maintenance Building is approximately 18,000 square feet.

Korean Airlines Co., Ltd.

- $102,000,000 Air Cargo Project
- Project financing closed: February 12, 1997
- Project scheduled completion: August 2000
- Project location: Buildings 9 and 9a, JFK

Korean Air Lines Co. undertook this project to replace its outdated facility at JFK with a state of the art cargo handling and warehousing structure. The new facility will consist of approximately 195,000 square feet of warehouse area and 30,000 square feet of office space.

American Airlines, Inc.

- $83,085,000 Air Passenger Terminal Project
- Project financing closed: August 9, 1994
- Project completed: 1997
- Project location: Terminals 8 and 9, JFK

American expanded and renovated Building 56 (Terminal 8) and Building 57 (Terminal 9), increasing the number of gates from 17 to 22. Project costs included design and construction on existing passenger terminal facilities to eliminate congestion, provide growth potential, and improve the level and quality of service to the travelling public.

Terminal One Group Association, L.P.

- $434,290,000 Air Passenger Terminal Project
- Project financing closed: July 13, 1994
- Project completed: December 1998
- Project location: Building 55 (Terminal 1), JFK

Terminal One Group Association, L.P. ("TOGA"), a partnership between Air France, Japan Airlines, KAL and Lufthansa German Airlines, was formed to lease, finance, construct, maintain and operate a new Terminal 1 on the site of the former Eastern Airlines terminal. Construction was completed in 1998. New Terminal 1 comprises approximately 600,000 square feet for processing of passengers, supporting airline operations, airline club rooms, food and retail concessions, family service areas, first aid areas, group lounges, transit lounges, common building technical support areas, and building support and maintenance areas. The project includes new roadways for traffic to and from the terminal.

In the future, American Airlines (Terminal 8 and Terminal 9), Delta Airlines (Terminal 2 and Terminal 3), and United Airlines have announced plans for further significant investments in JFK's infrastructure.

(d) Cargo Buildings

JFK's Air Cargo Center comprises 35 cargo handling and cargo service buildings, as well as Vetport (an animal care facility), and a U.S. Postal Service Airport Mail Facility.

(e) Other Structures

Aircraft Service Facilities include seven aircraft hangars, a building for aircraft engine overhauls, and a 32-million gallon aircraft fuel storage facility.

(f) Runways and Taxiways

The runway system, almost nine miles in total length, is comprised of two pairs of parallel runways: 4L-22R, 4R-22L, 13L-31R, and 13R-31L. All runways have high intensity runway edge lighting, centerline and taxiway exit lighting, and are grooved to improve skid resistance and minimize hydroplaning. Taxiways total over 25 miles in length. Standard width is 75 feet, with 25-foot heavy duty shoulders and 25-foot erosion control pavement on each side.

(g) Electrical Power and Heating

JFK has four substations (281,000 KVA total), a main feed from Con Edison, and emergency generator backup for most runway and taxiway lighting and aids to navigation.

A gas-fired cogeneration plant has been privately financed, developed and operated. KIAC Partners, a joint venture of Gas Energy Inc. (subsidiary of The Brooklyn Union Gas Company) and Community Energy Alternatives Inc., (subsidiary of Public Service Enterprise Group of New Jersey) operates the project under a 25-year agreement with the Port Authority, and also operates the existing Central Heating and Refrigeration Plant and related thermal distribution systems.

(h) Domestic Water Supply

JFK uses three million gallons of domestic water each day.

(i) Aviation Fuel

JFK has 102 fuel storage tanks and 50 miles of underground pipe.

(2) LaGuardia Airport

LGA, which comprises 680 acres and 72 aircraft gates, is located on the shoreline of northern Queens County.

(a) Passenger Terminals

The Central Terminal Building ("CTB"), dedicated in 1964, serves most of the airport's scheduled domestic airlines. American Airlines has completed a $32 million renovation and expansion project that includes its gate boarding areas in the west end of the CTB, baggage claim, ticketing counters and a new Admirals Club. US Airways had modernized its ticketing and baggage areas and completed other improvements in the West Wing before it left the CTB.

The 12-gate US Airways Terminal opened in 1992. The $250 million, 300,000-square-foot terminal connects to US Airways' Shuttle Terminal and adjoins its lobby and check-in areas. The eight-gate, $25 million US Airways Shuttle Terminal serves passengers on hourly shuttle flights to Boston and Washington, D.C.

The Delta Terminal, constructed by Delta Air Lines, opened in 1983 and has ten aircraft gate positions. The cost of the new terminal was approximately $96 million. Delta's redevelopment of their food and retail concessions is underway. Northwest Airlines and Business Express are also located in this terminal.

The Marine Air Terminal is used by commuter airlines, air taxis, private aircraft, Signature Flight Support (a fixed-base operator) and a private weather service. Delta Air Lines operates hourly Shuttle service to Boston and Washington from a six-gate addition completed in 1986.

(b) Other Structures

There are eight above-ground fuel storage tanks with a total capacity of approximately five million gallons.

Five hangars include facilities for: air cargo, garaging, maintenance, food preparation and marine and aircraft simulation equipment. Airlines, including Delta and United have space in Hangar 2. Trans World Airlines has space in Hangar 4, and American has space in Hangars 1, 3, and 5. Hangar 7 houses Port Authority administration offices, Ogden Catering, and Flight Safety, Inc. A U.S. Postal Service facility is located in Building 28.

(c) **Runways**

The two main runways are 4-22 and 13-31, each of which is 7,000 feet long by 150 feet wide.

III. INTRODUCTION AND SCOPE OF WORK

A. General

The Airports are among the City's most valuable assets. They are critical parts of the City's transportation infrastructure, essential to the City's continued economic vitality. Yet there is no doubt that the Airports could be more efficiently and effectively operated, with a customer-driven focus. Today, after the Port Authority has been diverting Airport revenues to other purposes for years, the Airports stand in urgent need of fundamental re-engineering and significant additional investment to improve the quality of their facilities, customer service, ease of access, and overall management. Only then will the Airports attain their full potential to support the City's growth in trade, travel, tourism, jobs and economic development.

It will take first-rate innovative planning and execution to upgrade the Airports to the preeminence they deserve, and to put the Airports on a development path that anticipates change and effectively integrates best practices in all areas. For that reason, EDC encourages each Proposer to submit a Proposal that meets the City's objectives of improving the Airports' quality and competitiveness (see Section I.B., above) in a creative and practical way.

Any such arrangement is expected to be binding and durable, so as to provide the City with continuing expert advice and consultation during Phase I of the contract, and, during Phase II, to provide the successful applicant with the confidence to make a long-term financial commitment, and to enable the successful applicant to obtain commitments from investors, lenders, air carriers, concessionaires and others.

B. The Existing Lease

Proposers are advised to familiarize themselves with the terms of the Lease, which is included in the Information Package. Among other things, the Lease provides that:

- upon its expiration or sooner termination, the Port Authority must deliver to the City "the demised premises together with all buildings, structures and improvements thereon, as well as all personal property, furniture, fixtures and other equipment contained therein and used exclusively in connection with the operation" of the Airports. (Lease, Section 3.)

- the parties' intent is that when the demised premises are returned to the City, such premises "shall be in good condition as operating airports" free and clear of any liens, debts or encumbrances of any nature. (Lease, section 3.)

- the Port Authority is obligated, subject to a minimum annual payment of $3,500,000, to pay the City the lesser of (a) 100 percent of the Airports' annual net revenue (as defined in the Lease) or (b) 75 percent of the net revenue before deducting a certain factor relating to capital expenses. In a pending arbitration the City is challenging the Port Authority's determination of the rent due under the Lease.

The Lease does not govern the rental or fee structure paid by airlines and other users of the Airports. Flight fees are calculated pursuant to a method set forth in certain subleases which the Port Authority has entered into with several airlines. Such subleases are commonly referred to as the "Dewey Leases." The Port Authority has also entered into other types of subleases with various other Airport users. Those subleases cover such items as rental of space in the terminals or at other facilities on airport lands, utilities charges, insurance conditions, and percentage of revenue payments by concessionaires.

C. Approvals Required

New York State Law and New York City Charter and Administrative Code

Proposers should familiarize themselves with the provisions of New York State and City laws, rules and regulations pertaining to the arrangement(s) described in their Proposals.

U.S. Department of Transportation/Federal Aviation Administration

Proposers should also be cognizant of certain requirements imposed by Federal law and regulation.

Prior to entering into a consulting, oversight, management, operation and development agreement, the City and EDC have been advised, no prior FAA approval or consent would be necessary. In connection with arrangements of other kinds, however, certain prior requirements may have to be satisfied. Proposers considering alternative arrangements should familiarize themselves with the details of any such requirements while preparing their Proposals.

D. General Scope of Services in Phase I of the Contract – Prior to Expiry or Termination of Existing Lease

The Proposal should take into account the City's need for these services prior to expiry or sooner termination of the existing Lease:

- Preparing detailed surveys, studies and plans with the goal of eventually upgrading the management, operation and development of the Airports, including without limitation:
    - Plans pursuant to FAA Advisory Circular 150/5070-6A (*Airport Master Plans*) and FAA Order 5050-4A (*Airport Environmental Handbook*)
    - Capital improvement plan
    - Analyses of proposed capital projects
    - User surveys of passengers and cargo shippers
    - Marketing plan based on forecasts developed in the foregoing studies and plans
- Developing suggestions on economic development initiatives at or near the Airports
- Evaluating plans for improvement in passenger and cargo transportation to and from the Airports
- Computing, collecting on behalf of the City and remitting to the City the rent due under the Lease
- Inspecting the Port Authority's books, records and accounts regarding the Airports, as provided under Section 8 of the Lease
- Developing recommendations concerning the Port Authority's uses of Airport revenues for non-Airport purposes
- Evaluating the Port Authority's performance with regard to all aspects of Airport management, operation and development (*e.g.*, evaluating the competitiveness of the Airports' charges and services in comparison to those of other major airports)

- Preparing annual reports and rolling five-year plans, as instructed, with respect to one or more of the matters listed above.

E. General Scope of Services in Phase II of the Contract – After Expiry or Termination of Existing Lease

The Proposal should address itself to the City's need for these services following the expiry or termination of the existing Lease:

Airport Operations

Each Proposer should be aware that, in order to perform the following services, it must first be properly certified under Subparts B and C of Part 139 of the Federal Aviation Regulations (49 C.F.R. §139.101, *et seq.*), and must thereafter conduct Airport operations in accordance with Subpart D of Part 139 (49 C.F.R. §139.301, *et seq.*):

- Providing experienced personnel for the daily operation of the Airport(s) in accordance with applicable rules and regulations, including staff for 24-hour per day emergency services
- Developing and maintaining operational policies, procedures and practices to ensure the efficient operation of the runway, taxiways, aprons, other aircraft operating areas, lighting systems, navigational systems (other than those maintained by the FAA), roadways and fuel storage systems
- Developing and maintaining Airport access and security plans for both airside and landside areas of the Airport including perimeter security, facilities security, parking lot security and disaster security on the Airport(s)
- Developing and maintaining Airport emergency plans in cooperation with the City's Police and Fire Departments for all on-Airport and off-Airport emergencies
- Developing and maintaining minimum commercial aeronautical standards for the operation of flight schools, aircraft maintenance and repair facilities, charter operations, fueling and other aviation specialty commercial uses at the Airport(s)
- Developing and updating signage plans
- Coordinating regular inspections of Airport facilities and providing maintenance services in coordination with FAA Air Traffic Control, Flight Standards, airway facilities and flight service
- Obtaining and maintaining all required licenses, certificates and registrations for the Airport
- Preparing and maintaining annual Airport infrastructure and facility maintenance plans, programs and related budgets
- Maintaining (structurally or otherwise) all runways, taxiways, aprons, helipads, roadways, navigational aids, lighting systems, markings, stripings and signage in good operating condition
- Maintaining Airport grounds sidewalks and signage
- Maintaining all Airport-owned facilities and structures in good physical appearance and operating condition

- Maintaining and repairing Airport-owned equipment
- Visually checking, cleaning and removing all foreign objects from all runways, taxiways, aprons and other aircraft operating areas
- Ensuring the proper and safe operation of the Airport's fuel farm, in compliance with regulatory requirements
- Managing projects related to any necessary or desired environmental remediation of existing contamination
- Reporting Airport operating statistics, incidents and issues to the Mayor's Office of Transportation, and to others if the City so requests.

Airport Development/Redevelopment

- Preparing long-term and short-term goals and financial plans for the development and/or redevelopment of Airport facilities and other properties
- Preparing annual capital improvement plans for the Airport(s)
- Soliciting and assisting in the negotiation of development or redevelopment projects for Airport facilities or property
- Developing private sector investment in, or financing of, such development or redevelopment projects
- Advising the City on the benefits and limitations of development or redevelopment proposals made by others
- Providing the City with periodic reports on development and redevelopment plans and initiatives
- Meeting and conferring with the City, its designees, and staff, tenants and other Airport stakeholders on the status of Airport development and redevelopment initiatives.

Support Services

- Managing Airport administrative functions
- Collecting Airport fees, charges and lease revenues
- Procuring supplies, materials and services in support of the general operation of the Airport and assisting the City in preparing technical specifications/requirements and recommendations for the procurement of Airport-related goods and services, in accordance with applicable policies, procedures and regulations
- Processing of payments to Airport vendors, tenants and other customers
- Processing of payroll for on-site Airport operator employees
- Managing and training Airport operator employees

- Providing Airport operator administrative and operations management office space, supplies, technology and other necessary components to ensure the efficient and effective administration of the Airport(s)
- Maintaining control over and proper accounting for Airport assets
- Performing general accounting services
- Ensuring that Airport financial records and supporting documentation is properly maintained and available for review at the City's request
- Preparing and issuing financial plans, reports and supporting statistical data for Airport management, the City and regulatory agencies
- Preparing and submitting financial and other reports related to public grants
- Preparing and submitting financial and other reports related to passenger facility charges
- Cooperating with the City in its dealings with all governmental agencies in all matters related to the operation and management of the Airport(s)
- Attending meetings and conferences with Federal, State and local officials as requested by the City
- Meeting and conferring with on-Airport groups and with off-Airport groups in the vicinity of the Airport having an interest in the management and operation of the Airport(s)
- Providing other miscellaneous administrative services in support of Airport management and operations as requested from time to time.

Airport Real Estate Management

- Developing a marketing plan related to the use of Airport facilities and properties, as well as the general marketing of the Airport(s) as a destination for transient traffic and business development
- Developing and maintaining reasonable standards for the physical appearance and operating condition of third party premises
- Satisfying obligations pursuant to existing agreements with tenants, permittees, lessees and licensees
- Overseeing and enforcing compliance by all Airport tenants, permittees, lessees and licensees, with the physical appearance, operating standards and environmental standards, including quarterly reviews of third party premises, facilities and pavements to ensure proper maintenance
- Developing and recommending to the City rates and charges for Airport property use
- Developing and recommending to the City plans and programs to fully utilize (and increase revenues from) existing Airport facilities and properties through leases or other agreements
- Soliciting and negotiating leases and other agreements for existing Airport facilities as may be necessary or desirable for the proper operation of the Airport(s)

- Preparing and submitting periodic reports on real estate management activities including but not limited to revenues and expenses, occupancy rates and lease rates, fees and charges.

Proposers may, at their discretion, recommend additional services beyond the scope outlined above that they believe will be of benefit to the City and Airport(s).

IV. CONTENTS OF PROPOSAL

At the beginning, each Proposal must contain:

- a cover letter on Proposer's letterhead, signed by an individual with authority to bind the Proposer, containing any disagreements with or exceptions to the terms and conditions of this Request

- a title page, including the name, address, and telephone and facsimile numbers of the Proposer, and the name and telephone number of the individual who is the principal contact person for the Proposer

- an Executive Summary not to exceed three pages.

The body of each Proposal must include two elements:

- Background Information summarizing the Proposer's qualifications for a consulting, oversight, management, operation and development agreement. The term of the agreement would commence as soon as practicable and, for Phase I, continue until the expiry or sooner termination of the Lease. Phase II of the agreement would continue for 35 years following such expiry or termination.

- Business Plan describing the services that the Proposer would perform under Phase I and Phase II of the agreement

In addition, each Proposer must submit:

- a completed Proposer Information form, provided in Appendix A to this Request

- a duly signed and notarized Certification, provided in Appendix B to this Request

- a completed and duly signed Acknowledgement of Addenda form, provided in Appendix C to this Request

- a nonrefundable Deposit check for $25,000.

Proposers may submit a Proposal (a) for JFK, (b) for LGA, or (c) for both Airports. **If a Proposal is for both Airports, the Proposer must provide a separate Business Plan for each Airport.** The City or EDC may elect to enter into an arrangement of one kind with one entity for JFK, and an arrangement of another kind with another entity for LGA.

Each Proposal must state that it will remain valid for a period of up to 12 months after the date of submission.

A. Business Plans for Alternative Arrangements

Each Proposal may also contain a separate Business Plan, in the format and with the contents described below, for any other business arrangement that the Proposer believes would accomplish the City's objectives as effectively as, or more effectively than, a consulting, oversight, management, operation and

development agreement. Any alternative Business Plan must explicitly address the legal, regulatory and financial considerations involved in such an alternative business arrangement.

B. Background Information Contents

In this part of the Proposal, the Proposer must demonstrate the requisite expertise, skills and resources to implement and fulfill the Business Plan.

(1) Organizational Structure

Type of business organization or legal entity (e.g., corporation, partnership, joint venture) of the Proposer

Legal jurisdiction under which the entity is or will be formed (for joint ventures, consortia, and similar arrangements, such information should be provided for each constituent entity)

Capital structure of the Proposer, including its actual or planned capitalization and its access to financial guarantees, assets and/or credit support of parent or affiliated entities

Description of the roles, responsibilities and relationships of the Proposer's members, including the identification and discussion of:

- Lead member
- Percent equity interest of each of the members in the proposed entity
- Names, positions, responsibilities, and resumes of the key personnel
- Control, reporting relationships, and coordination procedures among the members
- Extent to which each member will contribute to the operation, management, and capital improvements described in the Business Plan
- Names and locations of similar or comparable projects commenced in the last ten years. Please identify (a) references, scope, cost, and management structures; (b) experience of key personnel on such projects; and (c) projects in which ownership, beneficial ownership, control, or financial interest was transferred from a government entity to the Proposer, or any member of Proposer's development team
- Prior experience with the City, EDC or Port Authority in any capacity.

(2) Financial Resources and Investments

Provide audited financial statements for the past three years and bank or other credit references for the Proposer (and/or each of its constituents).

Please describe in detail any aviation or other public-use infrastructure projects in which the Proposer (or any of its constituents) has invested capital in development, construction or renovation.

(3) Regulatory Compliance

Describe the Proposer's experience with all applicable federal aviation laws and regulations, including federal grant assurances, passenger facility charges, safety and security regulations, and operating procedures and reporting requirements.

(4) Performance

Describe the Proposer's (or constituent parties') performance on relevant projects within the last ten years (identified above), including but not limited to:

- Air service, air cargo, and real estate marketing and business development
- Management innovation
- Increases in airport revenues
- Operating cost efficiency
- Facility maintenance
- Facility capital development (including cost and scheduling).

(5) Service to Infrastructure Users

Describe the Proposer's experience in meeting the needs and requirements of project infrastructure users (including air carriers, general aviation and other airport users) and otherwise communicating, working with, and serving such users. The Proposer should also identify all specific instances of complaints relating to the Proposer's activities made by project users or the various regulatory agencies overseeing the Proposer's activities.

(6) Contract Fulfillment

For each of the Proposer's infrastructure management and/or service contracts or leases, provide the name, title, address, and telephone number of a contact person at the customer or lessor. For each such relationship, describe: (a) any nonrenewal, termination, or major renegotiation of any lease, concession, license, management, or service agreement; and (b) achievement of benchmarks specified in any contract or agreement.

(7) Community, Labor, Diversity, and Environmental Issues

Describe the Proposer's:

- Dealings with the communities in which the Proposer's infrastructure projects have been located, including interactions regarding noise, land use, and environmental concerns
- Experience with labor and diversity issues at infrastructure sites.

C. Business Plan Contents

The Business Plan must provide information under the following headings:

- Phase I Consulting and Oversight Plan

- Phase II Management and Operations Plan
- Phase II Marketing Plan
- Phase II Development and Capital Investment Plan
- Phase I/Phase II Timing and Transition Plan
- Phase I and Phase II Fees or Other Compensation.

(1) Phase I Consulting and Oversight Plan

Please describe the Proposer's plans for overseeing and making recommendations to the City and/or EDC during Phase I (*i.e.*, the time the existing Lease remains in effect). The following issues should be among those addressed:

- Evaluating and commenting upon Airport development plans proposed by the Port Authority
- Recommending improvements in current Airport operations and management practices
- Preparing detailed plans for upgrading the management, operation and development of the Airports, to be put into effect once the existing Lease has expired or terminated
- Computing, collecting and remitting to the City the rent due under the Lease
- Inspecting the Port Authority's books, records and accounts regarding the Airports, as provided under Section 8 of the Lease
- Performing analysis of pertinent information in the Port Authority's books, records and accounts regarding the Airports – in particular, analyzing and reporting on the Port Authority's uses of Airport revenues for non-Airport purposes
- Preparing reports concerning some or all of the above subjects on an annual, rolling five-year, or other basis
- Performing any other services that the Proposer believes would help to fulfill the City's objectives prior to the transfer in operating control of the Airports.

(2) Phase II Management and Operations Plan

Please describe the Proposer's approach to managing and operating the Airport(s) during Phase II. The following issues, as applicable, should be addressed (indicating the level of responsibility that each member of the Proposer's team will assume):

- Performance goals the Proposer will adopt to achieve the City's objectives as set forth at I.B. above (including a list of baseline items with proposed performance benchmarks)
- Organizational structure, including roles and responsibilities of management and supervisory positions
- Safety and security plan

- Human resources plan, including policies affecting Airport employees – particularly those covered by collective bargaining agreements
- Plan for terms and conditions of Airport use, structure of airline rates and charges, and plans for non-airline rates and charges for all other Airport businesses
- Domestic and international passenger traffic and cargo forecasts for both charter and scheduled activity
- Plan for general aviation businesses at the Airport and a forecast of general aviation traffic
- Means by which the City could maintain Airport operations in the event of the Proposer's bankruptcy or change in corporate ownership
- Compliance policies and procedures for statutory, regulatory, and other requirements
- Description of how Airport concessionaires and service providers will be selected, and how the Proposer will (a) promote fair and open competition for awards of concessions and provision of services and (b) encourage the availability of choice, quality and competitive pricing of services for users.

(3) Phase II Marketing Plan

Please describe the Proposer's plans and business strategies to attract, retain and enhance revenue-earning opportunities from air carriers, concessionaires and others during Phase II.

(4) Phase II Development and Capital Investment Plan

Please describe the improvements that the Proposer envisions for the Airport(s) during Phase II. Describe how such proposed improvements are consistent (or inconsistent) with current development plans and work underway at the Airport(s). To the extent possible, please include the following information:

- Description of the size, phasing, appearance, and location of each proposed improvement
- Plans for financing each of the proposed improvements – including sources and amounts of funds
- Planning criteria, methods, and service standards.

(5) Phase I/Phase II Timing and Transition Plan

Provide a timing and transition plan from Phase I to Phase II, with timetable, indicating how and when responsibilities will be transferred from the Port Authority. Please include the following factors:

- Proposer applies for and is granted Airport operating certification (49 C.F.R. Part 139)
- Responsibility for Federal Airport Improvement Program ("AIP") grant applications and administration (14 C.F.R. Part 151) is transferred from Port Authority
- Responsibility for collecting and administering Passenger Facility Charges (14 C.F.R. Part 158) is transferred from Port Authority

- Responsibility for safety and security responsibilities (*e.g.*, 14 C.F.R. Part 107 Airport Security Plan) is transferred from Port Authority
- Proposer negotiates new or amended contracts for goods and services – including collective bargaining agreements
- Proposer negotiates new or amended leases and other real property agreements
- Proposer negotiates new or amended flight fee leases at JFK and LGA
- Proposer assumes responsibility for property and environmental insurance
- Proposer takes over management and operation of equipment and facilities.

(6) Phase I and Phase II Fees or Other Compensation

The Proposer should outline a recommended compensation structure and fee estimates for its proposed services during Phase I. The Proposer should separately outline a recommended compensation structure and fee estimates for its proposed services during Phase II. The fee estimates should provide a sufficient level of detail to permit EDC to determine the nature, amount and timing of compensation for each type of service to be rendered. Proposer's disbursements and subcontractors' fees and disbursements should be broken out and stated separately.

In addition to the data specified above in Section IV, EDC may, in its discretion, require the Proposer to submit additional information that EDC deems relevant in evaluating the Proposer or any aspect of the Proposal.

V. SUBMISSION OF PROPOSALS

Twelve bound copies and one unbound copy of the Proposal, including all forms and attachments, must be received by EDC on or before 5:00 p.m. local time on January 14, 2000. Two bound copies and one unbound copy of the Proposal, including all forms and attachments, must also be received by each of (a) Rothschild Inc., (b) Winthrop, Stimson, Putnam & Roberts, and (c) the Mayor's Office of Transportation (Attn.: Robert Grotell, Director), 100 Gold Street, 2nd Floor, New York, NY 10038, on or before the same time and date.

The Proposal must include:

- Cover letter, title page and Executive Summary, as described in Section IV of this Request
- Background Information, as described in Section IV.B. of this Request
- Business Plan, as described in Section IV.C. of this Request
- Completed Proposer Information form, provided in Appendix A to this Request
- Duly signed and notarized Certification, provided in Appendix B to this Request
- Completed and duly signed Acknowledgement of Addenda form, provided in Appendix C to this Request
- A Deposit check for $25,000.

One original bound Proposal must be signed by a representative of the Proposer authorized to submit the Proposal, and must provide the names, addresses, and telephone numbers of individuals who have the authority to bind the Proposer and who may be contacted during the period of Proposal evaluation.

VI. EVALUATION PROCESS AND CRITERIA

A. General

(1) Evaluation by Management and Technical Staff

Responsive Proposals will be evaluated by EDC with the assistance of its Financial Advisor, Legal Advisor, and such other persons or entities as it deems appropriate in its sole discretion.

(2) Completeness and Compliance with Request

All Proposals will be reviewed for completeness and compliance with this Request. EDC may at any time exclude any Proposal that it deems incomplete or not in compliance with this Request.

(3) Supplemental Information

EDC and anyone designated to assist it may (a) request Proposers to supply additional documents or information for clarification, confirmation or modification of any Proposal – including Proposals that are incomplete or non-conforming as submitted; (b) prepare a written interpretation of any aspect of any Proposal and seek the Proposer's acknowledgment of that interpretation; and (c) request a Proposer to provide an oral presentation of its Proposal.

All such supplemental information will be considered part of the Proposal. Except at the request or by the consent of EDC, and in EDC's sole discretion, Proposers will not be allowed to change their Proposals once submitted.

(4) Investigation

EDC and anyone designated to assist it may investigate any and all information concerning any Proposer or the contents of any Proposal. EDC may take into consideration the results of such investigation in evaluating the Proposal and need not disclose the investigation or its results to the Proposer. In furtherance of such investigation, EDC and its advisors may, as they deem appropriate, communicate to third parties any information contained in any Proposal.

(5) Notification of Results

At the conclusion of the evaluation period, each Proposer will be advised in writing of the result of the evaluation with respect to that Proposer.

(6) Qualitative Evaluation

EDC will evaluate Proposals on a qualitative basis, (a) using the information (including any supplemental information) obtained in accordance with this Request, (b) applying to that information the criteria set forth below, and (c) further applying the other requirements stated in this Request.

(7) Evaluation Criteria

Any award made pursuant to this Request will be made to the Proposer whose Proposal EDC decides is most likely to achieve, in a sustainable and cost-effective manner, the City's objectives stated in Section I.B.

above. In reaching its decision, EDC will apply the following criteria in , the first of which is the most significant:

- the utility to the City, during Phase I, of the services set forth in the Proposer's Phase I Consulting and Oversight Plan, and the appropriateness and viability, during Phase II, of the proposed plans and services set forth in the balance of the Proposer's Business Plan
- the Proposer's qualifications for the work described in the Proposal, including without limitation the Proposer's prior or concurrent experience with work similar or comparable to the work described in the Proposal
- the amount and structure of the Phase I and Phase II Fees or Other Compensation.

VII. GENERAL TERMS AND CONDITIONS

A. Additional Terms and Conditions

In addition to the requirements stated elsewhere in this document, this Request is subject to the terms and conditions set forth below.

(1) Not an Offer

This Request does not constitute an offer by EDC, the City, or any of their representatives to enter into a contractual arrangement with regard to the Airports. This Request does not constitute a request for bids. Issuance of this Request does not create any duty on the part of EDC or the City, or obligate EDC or the City to undertake any action. If EDC or the City so chooses, it may (a) cancel this Request and reject all Proposals, or (b) enter into one or more arrangements of one or more kinds with one or more entities for one or both Airports. EDC shall be the sole judge of each Proposal's conformance with the requirements of this Request and of the merits of each Proposal.

(2) Postponement, Reissue, Amendment, Supplement, and Withdrawal

EDC may postpone, reissue, amend, supplement and/or withdraw this Request in whole or in part in its sole discretion at any time. In such an event, EDC will attempt to send to all Registered Proposers, via first-class mail, any reissue, amendment, supplement, or notice of postponement or withdrawal of the Request.

(3) Interpretations and Additional Information

Representatives of EDC and those designated to assist them are not authorized to give to individual Proposers, individual Registered Proposers, or other entities or persons interpretations of this Request or additional information regarding the requirements of the Request process. Interpretations or additional information, if provided, will be communicated to Registered Proposers and Proposers only by written addenda, and should be considered part of the Request. Failure to respect this requirement may result in disqualification.

(4) Investigation, Clarification, and Oral Presentation; Supplemental Information

EDC reserves the right to investigate independently, and/or to request clarification of, the contents of any Proposal. This may include a requirement that some or all Proposers make an oral presentation or provide additional written information.

Proposers (including their respective joint-venturers, partners, shareholders, officers, directors, employees, agents, or affiliates) shall have no right to consent to, be notified of, or respond to, any investigation conducted by or on behalf of EDC in connection with EDC's evaluation of the Proposals.

Unless EDC specifically requests or consents to its submission, no supplemental information provided by any Proposer will be considered in the evaluation.

(5) Proposal Property of EDC and the City; Confidentiality

Proposals will become the property of EDC and the City. There shall be no obligation to return any Proposal or any material submitted in connection with a Proposal to the Proposer. As a general matter, EDC, the City and their advisers may disclose the contents of any or all Proposals as they deem appropriate in their sole discretion or as may be compelled by relevant law or rule.

Each Proposer should give specific attention to identifying those portions of its Proposal that the Proposer deems to contain confidential, proprietary information or trade secrets. The Proposer must clearly label each page containing any such information as "CONFIDENTIAL PROPRIETARY BUSINESS INFORMATION." As to all such information, the Proposer should provide justification as to why such materials, upon request, should not be disclosed. Such confidential information must be easily separable from the non-confidential sections of the Proposal.

(6) Negotiations

Following submission of Proposals, EDC, in its sole discretion, (a) may engage in negotiations with two or more Proposers; (b) may designate two or more Proposers for "short list" consideration; (c) may request that a short-listed Proposer pay a good faith deposit prior to further negotiations; (d) may request Proposers to modify or reconfigure their Proposals; (e) may request Proposers to submit a best and final offer; (f) may make use of information in any Proposer's Proposal when negotiating with any other Proposer; and/or (g) may take such other actions as EDC deems appropriate to enhance effective competition among Proposers.

(7) Compliance, Waiver, and Acceptance

All determinations as to the completeness or compliance of any Proposal, or as to the eligibility or qualification of any Proposer, are and will remain within the sole discretion of EDC.

EDC has the right to waive any term, condition or provision contained in this Request.

EDC has the right in its sole discretion to reject any and all Proposals, to accept any Proposal, and to elect not to proceed with the Request process.

(8) No Liability

Neither EDC nor the City (including their respective employees, agents and advisors) shall be liable for any costs or expenses incurred by Proposers (a) in responding to this Request, or (b) as a result or consequence of any statement or omission in this Request or any action or inaction by EDC or the City with respect to this Request (including but not limited to the acceptance of any Proposal, the rejection of any or all Proposals, or EDC's election not to proceed with the evaluation process or EDC's or the City's election not to proceed to a binding agreement).

All costs and expenses that Proposers incur in connection with this Request (including but not limited to expenses for research, proposal development, submission, and negotiation) will be borne by the Proposers. No such costs and expenses will be reimbursed by EDC or the City.

(9) No Rights for Proposer

Proposer's submission of a Proposal and EDC's evaluation of that Proposal will not create any rights for the Proposer (*e.g.*, for damages, specific performance, injunctive relief or reimbursement). Neither EDC nor the City shall have any obligation or liability whatsoever to any entity selected as a result of this Request unless and until (a) the parties have negotiated an agreement setting forth all terms and conditions of a transaction, (b) a written agreement incorporating such terms and conditions has been fully executed and unconditionally delivered by the parties thereto, and (c) all necessary consents and approvals have been obtained. In the event of any variance between the terms of this Request and such agreement, the terms of the agreement will govern.

(10) No Representations and Warranties

No representations or warranties whatsoever are made as to the accuracy of any information contained in, or provided in connection with, this Request (including any addenda or supplements thereto), the Information Package, or the condition of the Airports and the lands adjacent thereto. EDC and the City expressly disclaim any representation or warranty concerning (a) compliance with environmental laws or regulations, (b) the location of wetlands, (c) topography, (d) the presence or absence of historical sites, (e) the presence or absence of hazardous wastes and toxic or hazardous materials, and (f) the suitability of the Airports an adjacent lands for any specific use or development.

EDC and the City make no representation or warranty as to whether or how any local, state, or Federal law or regulation may apply to this Request, to any Proposal submitted in response thereto, or to the Proposal evaluation process. It is each Proposer's sole responsibility to identify and interpret such laws and regulations as may apply.

(11) No Restriction on Alienability

Nothing in this Request shall be deemed to limit the City's right to transfer or otherwise alienate the City's ownership interest in the Airports in accordance with applicable law. The City reserves any and all rights in this regard, including without limitation the right to transfer ownership of the Airports to a public agency.

(12) Proposer Analysis and Evaluation

Proposers will be responsible for making their own analysis and evaluation of the value and income potential of the Airports, as well as of the Airports' physical condition and suitability for any purpose and the availability of infrastructure. Proposers are also responsible for obtaining their own independent legal, accounting, engineering, and technical advice on all matters relating to this Request, including, without limitation:

- Examining, reviewing, and verifying any information provided by EDC and its advisors
- Inspecting the Airports and all adjacent lands
- Ascertaining the nature of operations, conditions, and development of the Airports, and of the general and local conditions that will affect future use and development of the Airports and all adjacent lands
- Reviewing financial matters related to the Airports' operations
- Identifying and interpreting relevant Department of Transportation/FAA statutes, regulations, policies, and procedures

- Identifying and interpreting relevant City and other laws, rules, regulations, policies, and procedures
- Interpreting the effect of the Lease on the business arrangements contemplated herein
- All other matters that the Proposer deems material or relevant.

(13) Proposer Compliance with Law

The Proposer must comply with all applicable federal, state, and local laws and regulations, including, obtaining valid permits and approvals and complying with applicable zoning and land use requirements.

(14) Proposer Integrity

A Proposer may be rejected if EDC in its sole discretion determines that such Proposer, or any principal, partner, officer, director or principal shareholder of the Proposer's firm, or member of the Proposer's development team (a) has been convicted of, or pled guilty or *nolo contendere* to, a felony or crime of moral turpitude; (b) is an "organized crime figure"; (c) is under indictment or criminal investigation; (d) is in arrears or in default on any debt, contract, or obligation to or with the City or any of its agencies or instrumentalities; or (e) is otherwise a "prohibited person" as defined by the City.

Each Proposer, each principal, partner, officer, director or principal shareholder of the Proposer's firm, and each member of the Proposer's development team must complete a background questionnaire ("VENDEX") and be subject to investigation by EDC and the City's Inspector General. Qualified Proposer status may be revoked in the event any derogatory information is revealed by such investigations.

VENDEX Questionnaires, which must be submitted with each Proposal, are available at the City's web site, <http://www.ci.nyc.ny.us/html/moc/html/tocvendex.html>, and are included in the Information Package.

(15) Nondiscrimination

Any contract award will be subject to applicable provisions of Federal, State and City laws and executive orders requiring affirmative action and equal employment opportunity.

(16) No Brokers

Proposals will be accepted from principals only. No brokerage fees, finder's fees, commissions or other compensation will be payable by EDC or the City in connection with the selection of any Proposer or the consummation of any arrangement concerning the management, operation or development of the Airports.

(17) Indemnification

Submission of a Proposal by a Proposer in response to this Request will constitute an undertaking by the Proposer to hold harmless and indemnify and defend EDC, the City, and their designated advisors from and against any and all expenses, damages, or liability (including, attorneys' fees and disbursements) arising out of any claim for fees, commissions, or other compensation, including, without limitation, brokerage fees, finder's fees commissions, or other compensation, made in connection with such Proposer's response to this Request, designation or selection, or non-designation or non-selection thereunder, or negotiation and execution, or non-execution, of any agreement with respect to the Airports.

B. Agreement to Terms and Conditions and Release of Information

By submitting its Proposal, each Proposer agrees to abide by all the terms and conditions of this Request.

By submitting its Proposal, each Proposer authorizes EDC and its designated advisors to contact the Proposer's bank(s) and credit references, and any and all other persons identified in its Proposal or in any investigation conducted by or on behalf of EDC, and to obtain release of pertinent financial and other information, as well as to obtain verification of the information provided by each Proposer.

C. New York City Procurement Policy Board Information and Conditions

All of the following provisions will apply to any contract subsequently entered into between a Proposer and an agency or instrumentality of the City (a "City Agency") pursuant to this Request. *See* 9 New York City Rules and Regulations §3-03. Some of the following provisions may also apply to any contract subsequently entered into between a Proposer and EDC.

(1) Applicable Laws

This Request and the resulting contract award(s), if any, unless otherwise stated, are subject to all applicable provisions of New York State Law, the New York City Administrative Code, New York City Charter and New York City Procurement Policy Board ("PPB") Rules. A copy of the PPB Rules may be obtained by contacting the PPB at (212) 788-7820.

(2) Complaints

The New York City Comptroller is charged with the audit of contracts in New York City. Any Proposer who believes that there has been unfairness, favoritism or impropriety in the proposal process should inform the Comptroller, Office of Contract Administration, 1 Centre Street, Room 835, New York, NY 10007; the telephone number is (212) 669-3000. In addition, the New York City Department of Investigation should be informed of such complaints at its Investigations Division, 80 Maiden Lane, New York, NY 10038; the telephone number is (212) 825-5959.

(3) General Contract Provisions

Contracts shall be subject to New York City's General Contract Provisions, a copy of which is available through the Project Manager.

(4) Contract Award

Any contract award will be subject to each of the following applicable conditions: (a) New York City Fair Share Criteria; (b) New York City MacBride Principles Law; (c) New York City Burma Law; (d) submission by the Proposer of the New York City Department of Business Services/Division of Labor Services Employment Report and certification by that office; (e) submission by the Proposer of the requisite VENDEX Questionnaires/Affidavits of No Change and review of the information contained therein by the New York City Department of Investigation; (f) all other required oversight approvals; (g) applicable provisions of federal, state and local laws and executive orders requiring affirmative action and equal employment opportunity; and (h) Section 6-108.1 of the New York City Administrative Code relating to the Local Based Enterprises program and its implementation rules.

Services Employment Report and certification by that office; (e) submission by the Proposer of the requisite VENDEX Questionnaires/Affidavits of No Change and review of the information contained therein by the New York City Department of Investigation; (f) all other required oversight approvals; (g) applicable provisions of federal, state and local laws and executive orders requiring affirmative action and equal employment opportunity; and (h) Section 6-108.1 of the New York City Administrative Code relating to the Local Based Enterprises program and its implementation rules.

(5) Proposer Appeal Rights

Pursuant to the PPB Rules, Proposers have the right to appeal City Agency non-responsiveness determinations and City Agency non-responsibility determinations and to protest a City Agency's determination regarding the solicitation or award of a contract.

(6) Prompt Payment Policy

Pursuant to the PPB Rules, it is the policy of the City to process contract payments efficiently and expeditiously.

(7) Irrevocable Quotation

The Phase I and Phase II Fees or Other Compensation quoted by the Proposer shall be irrevocable until contract award, unless the Proposal is withdrawn. Proposals may only be withdrawn by submitting a written request to EDC prior to contract award but after the expiration of nine months after the opening of Proposals. This shall not limit the discretion of EDC to request Proposers to revise proposed such quotations through the submission of best and final offers and/or the conduct of negotiations.

D. Charter §312(a) Certification

The City Department of Business Services has determined that the contract(s) to be awarded through this Request for consulting, oversight and management services will not directly result in the displacement of any New York City employee.

Deborah R. Weeks
Acting Commissioner
Department of Business Services

10-13-99
Date

APPENDIX A

PROPOSER INFORMATION

Name of Proposer

Telephone Number of Proposer

Name of Authorized Representative

Telephone Number of Authorized Representative

If the Proposer is not an individual doing business in his or her own name, describe the type of the Proposer's organization (*e.g.*, a corporation, partnership, business association, or joint venture) and indicate the jurisdiction under whose laws the organization is organized and operated.

Attach an organizational chart of the Proposer indicating the names and responsibilities of key personnel.

Identify the certified public accountant that prepared financial statements for the Proposer and partners or co-ventures of the Proposer, the nature and extent of each participant's interest in the Proposer, and the proposed development. Any other information that will enable EDC to assess the Proposer's financial capability should also be provided.

Provide the names, addresses, and telephone numbers of any law firm(s) that will represent the Proposer in connection with the Proposal, including FAA counsel to the Proposer, if applicable.

Provide the names, addresses, and telephone numbers of at least two commercial or institutional credit references to assist EDC in assessing the Proposer's financial capability.

Provide a list of the Proposer's experience during the past five years in the operation, management or development of any airport(s), along with the names, addresses, and telephone numbers of at least three airport officials who could furnish references to assist EDC in assessing the Proposer's qualifications.

Provide a complete list of current and past relationships between the Proposer and any of EDC, the City, and the Port Authority. Identify any potential conflict of interest that might arise between any of those relationships (on one hand) and the relationship described in this Request (on the other), and describe how, in the Proposer's view, any such conflict(s) would be resolved.

Identify any affiliation or relationship between the Proposer and any other development company, parent company, lending institution, or other entity that may enable EDC to assess the Proposer's financial capability.

For all contracts within the past five years, provide a list and describe all liens or judgments over $25,000 filed against the Proposer, any of its constituent entities, or any of his/her/its/their assets, and remaining undischarged or unsatisfied for more than 90 days.

Within the past five years has the Proposer or any of its constituent entities been the subject of any of the following: (Respond to each question and describe in detail the circumstances of each affirmative answer; attach additional pages if necessary).

(a)	a judgment of conviction for any business-related conduct constituting a crime under state or federal law?	No__	Yes__
(b)	a criminal investigation or indictment for any business-related conduct constituting a crime under state or federal law?	No__	Yes__
(c)	a grant of immunity for any business-related conduct constituting a crime under state or federal law?	No__	Yes__
(d)	a federal or state suspension or debarment?	No__	Yes__
(e)	a rejection of any bid for lack of qualifications, responsibility, or because of the submission of an informal, nonresponsive or incomplete bid?	No__	Yes__
(f)	a rejection of any proposed subcontract for lack of qualification, responsibility, or because of the submission of an informal, nonresponsive or incomplete bid?	No__	Yes__
(g)	a denial or revocation of prequalification?	No__	Yes__
(h)	an involuntary exclusion from bidding/contracting agreement?	No__	Yes__
(i)	any administrative proceeding or civil action seeking specific performance or restitution in connection with any public works contract except any disputed work proceeding?	No__	Yes__
(j)	an OSHA Citation and Notification of Penalty containing a violation classified as serious?	No__	Yes__
(k)	an OSHA Citation and Notification of Penalty containing a violation classified as willful?	No__	Yes__
(l)	a prevailing wage or supplement payment violation?	No__	Yes__
(m)	a State Labor Law violation deemed willful?	No__	Yes__
(n)	any other federal or state citation, notices, violation orders, pending administrative hearings or proceedings, or determinations of a violation of any labor law or regulation?	No__	Yes__
(o)	any criminal investigation, felony indictment, or conviction concerning formation of, or any business association with, an allegedly false or fraudulent women's, minority or disadvantaged business enterprise?	No__	Yes__
(p)	any denial, decertification, revocation or forfeiture of Women's Business Enterprise, Minority Business Enterprise or Disadvantaged Business Enterprise ("M/WBE") status?	No__	Yes__

(q)	rejection of a low bid on a state contract for failure to meet statutory affirmative action or M/WBE requirements?	No__	Yes__
(r)	a consent order with the New York State Department of Environmental Conservation, or a federal, state, or local government enforcement determination involving a violation of federal or state environmental laws?	No__	Yes__
(s)	any bankruptcy proceeding?	No__	Yes__
(t)	any suspension or revocation of any business or professional license?	No__	Yes__
(u)	any citations, notices, violation orders, pending administrative hearings, or proceedings or determinations for violations of:		
	federal, state, or local health laws, or rules or regulations? unemployment insurance or workers compensation coverage or claim requirements?	No__	Yes__
	ERISA (Employee Retirement Income Security Act)?	No__	Yes__
	federal, state, or local human rights laws?	No__	Yes__
	federal or state security laws?	No__	Yes__

Note: Should the EDC require additional material other than that required by the Request, the EDC will request an authorized representative of each firm to furnish the necessary information.

APPENDIX B

CERTIFICATION

The undersigned recognizes that this Proposal is submitted for the express purpose of inducing the New York City Economic Development Corporation ("EDC") and/or the City of New York ("City") to award a contract to the undersigned; acknowledges that EDC or its designated advisors may in their sole discretion determine the truth and accuracy of all statements made herein; acknowledges that intentional submission of false or misleading information may constitute a felony under Penal Code Law §210.40 or a misdemeanor under Penal Law §210.35 or §210.45, and may also be punishable by a fine of up to $10,000 or imprisonment of up to five years under 18 U.S.C. §1001; and states that the information submitted in this application and any attached pages is true, accurate, and complete.

By submission of this Proposal, the Proposer and each person signing on behalf of the Proposer certifies, and in the case of a joint proposal each party thereto certifies as to his or her own organization, under penalty of perjury, that to the best of his or her knowledge and belief:

(1) The prices, amounts, and material in this Proposal have been arrived at independently, without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices, amounts, and materials with any other Proposer or with any competitor;

(2) Unless otherwise required by law, the prices, amounts, and material that have been quoted in this Proposal have not been knowingly disclosed by the Proposer and will not knowingly be disclosed by the Proposer prior to opening, directly or indirectly, to any other Proposer or to any competitor, and

(3) No attempt has been made or will be made by the Proposer to induce any other person, partnership or corporation to submit or not to submit a Proposal for the purpose of restricting competition.

The Proposer hereby authorizes EDC and its designated advisors to contact the Proposer's banks and credit references and any other persons identified in its Proposal, including, without limiting the foregoing, all persons and entities identified in its Proposer Information form and any sources and uses statement, in connection with the Proposal, and any and all other persons identified in any investigation conducted by or on behalf of EDC and obtain the release of pertinent financial and other information, as well as to obtain verification of information provided on behalf of the Proposer.

_____
Signature of Officer

Title_____

Sworn to before me this
_____ day of _____

_____
Notary Public

APPENDIX C

ACKNOWLEDGMENT OF ADDENDA

TITLE OF THE REQUEST FOR PROPOSALS:	PIN No.:
John F. Kennedy International Airport LaGuardia Airport – Request for Proposals for the Long-term Management, Operation and Development of the City's Airports	

INSTRUCTIONS: The Proposer is to complete Part I or Part II of this form, whichever is applicable, and sign and date the form. This form serves as the Proposer's acknowledgment of the receipt of the Addenda to this Request which may have been issued prior to the Proposal Due Date set forth at Section I.C. of the Proposal.

__PART I

Listed below are the dates of issue for each Addendum received in connection with this Request:

Addendum #1, dated _____

Addendum #2, dated _____

Addendum #3, dated _____

Addendum #4, dated _____

Addendum #5, dated _____

__PART II

No Addendum was received in connection with this Request.

Proposer Name: _____

Proposer's Authorized Representative:

Name: _____

Title: _____

Signature: _____

Date: _____

APPENDIX D

RELEASE AND HOLD HARMLESS AGREEMENT

IN CONSIDERATION OF THE CITY OF NEW YORK ("CITY") granting permission to the undersigned ("GRANTEE/RELEASOR") to visit [LaGuardia]* [John F. Kennedy International]* Airport (the "Premises") for the purpose of inspecting the Premises in connection with a Request for Proposals issued by the New York City Economic Development Corporation ("EDC"),

2. (a) GRANTEE/RELEASOR, releases and discharges the CITY, its agencies, instrumentalities, officials, agents, employees, attorneys and representatives (the "City Group") and EDC, its directors, officers, agents, employees, attorneys and representatives (the "EDC Group") from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, in law, admiralty or equity, which against the City Group and/or the EDC Group the GRANTEE/RELEASOR's parents, subsidiaries, divisions, predecessors and successors and all related or affiliated legal or business entities, and present and former stockholders, members, partners, officers, directors, agents, employees, attorneys and representatives ever had, now have, or hereafter can, shall or may have by reason of any matter, cause or thing whatsoever resulting from, arising out of, or in any way connected with any site visits or inspections of the Premises by GRANTEE/RELEASOR or its employees, officers, contractors, subcontractors, invitees, and agents howsoever the same may be caused or occasioned.

(b) GRANTEE/RELEASOR acknowledges that it has been advised by competent legal counsel in connection with the execution of this Release and Hold Harmless Agreement and that GRANTEE/RELEASOR understands its respective rights and obligations hereunder. GRANTEE/RELEASOR declares, under penalty of perjury, that it has read this Release and Hold Harmless Agreement in its entirety, fully understands its terms and contents, and freely, voluntarily and without coercion enters into it.

(c) This Release and Hold Harmless Agreement (i) contains the entire agreement between the parties and supersedes any prior written or oral agreements or representations concerning the subject matter hereof; (ii) can be modified only by a writing signed by the parties hereto; and (iii) shall be governed by and construed in accordance with the substantive laws of the State of New York.

---

* Delete if inapplicable.

2. GRANTEE/RELEASOR hereby agrees to defend, indemnify and hold harmless each and every member of the City Group and the EDC Group from and against any and all claims, actions, suits, judgments, causes of actions, demands, losses, damages, liabilities, costs, charges, and expenses (including, without limitation, attorney's fees) whatsoever, whenever asserted and by whomever, resulting from, arising out of, or in any way connected with any site visits or inspections of the Premises by GRANTEE/RELEASOR or its employees, officers, contractors, subcontractors, invitees, and agents howsoever the same may be caused or occasioned.

IN WITNESS WHEREOF, the GRANTEE/RELEASOR has caused this Release and Hold Harmless Agreement to be executed by a duly authorized individual on this _____ day of _____, 1999,

In presence of:

GRANTEE/RELEASOR:_____

BY: _____

Title: _____

STATE OF NEW YORK)
): ss:
COUNTY OF NEW YORK)

On this ____ day of _____, 1999, before me _____ personally came, to me known, who, by me duly sworn, did depose and say that deponent resides at _____, that deponent is the _____ of the entity described in, and which executed, the foregoing Release and Hold Harmless Agreement, and that deponent signed deponent's name by order of that entity.

_____
Notary Public

ALASKA STATE LEGISLATURE
News From The Senate and House Majorities

State Capitol
Juneau, AK 99801
Actuality line: 1-800-478-6540

Jerry Ritter (907) 465-3804
Mark Morones (907) 465-3803
web site: http://www.akrepublicans.org

FOR IMMEDIATE RELEASE: February 9, 2000

Contact: Sen. Jerry Ward (907) 465-4940
Rep. John Cowdery (907) 465-3879

Finance Committees Hear From Privatization Task Force
Subcommittees to Tackle Recommendations

(JUNEAU) -- A joint session of the Senate and House Finance Committees Wednesday heard testimony from the Legislature's Commission on Privatization and Delivery of Government Services.

The 11-member commission, which the 21st Alaska Legislature established to examine the possibility of turning some State functions over to private industry, met during the interim (between legislative sessions) and prepared a report to the Legislature before its expiration date, December 31, 1999. More than 300 Alaskans volunteered their time to help the commission.

"A lot of Alaskans put a lot of work into this activity, and while it's up to us to debate and to implement some or all of the Commission's recommendations, the one thing we will not do is ignore them," said Representative Con Bunde (R-Anchorage), Vice Chair of the House Finance Committee. "This was designed to be, and will continue to be, an on-going process."

"The first thing we will do is send these recommendations to the Finance subcommittees for their review and consideration to see what could be implemented," said Senator John Torgerson (R-Kasilof), Co-Chair of the Senate Finance Committee. "We also must figure out whether, and to what extent, the governor will act on these recommendations."

The Commission prepared a list of 20 recommendations which received approval from a majority of commission members. In addition, the Commission forwarded the master list of all 408 recommendations of subcommittees and State commissioners.

"Government services should only be privatized if, by doing so, we can provide the same or a higher level of service to the public for less money," said Senator Jerry Ward (R-Anchorage/Kenai). "This is all about a smaller and smarter State government."

"The State must begin to identify those activities which are inherently non-government activities," said Representative John Cowdery (R-Anchorage). "I anticipate legislation, modeled after federal statutes, which will require agencies and departments to periodically examine their activities and disclose which are inherently governmental and which are not."

-- more--

Commission members stressed that privatization efforts contain potential benefits for a wide variety of Alaskans. "There has been a background rumor going around that the Commission's activities and recommendations were somehow 'anti-union,' but nothing could be further from the truth," said Commission member Kathryn Thomas of Kenai. "In fact, many of the private sector businesses which might benefit from privatization, in both urban and rural Alaska, are union companies."

###

Editors note: Copies of the Commission on Privatization and Delivery of Government Services report to the Legislature are available from Legislative Information Offices.

ALASKA STATE LEGISLATURE

News From The Senate and House Majorities

State Capitol
Juneau, AK 99801
Actuality line: 1-800-478-6540
For Immediate Release November 2, 1999

Jerry Ritter (907) 269-0167
Mark Morones (907) 269-0257
web site: http://www.akrepublicans.org
Contact: Sen. Jerry Ward (907)269-0106
Rep. John Cowdery (907) 269-0222

ADVISORY

Privatization Subcommittee Reports Due

Full Commission to Act on Recommendations

(JUNEAU) -- The 11-member Commission on Privatization and Delivery of Government Services, established by the Legislature to examine the possibilities of turning some state functions over to private industry, has begun receiving and reviewing the reports of its 18 subcommittees. These subcommittees have been meeting with Executive Branch department heads and evaluating programs which might be candidates for privatization.

A schedule, subject to change, of subcommittee report filing days, is attached. The schedule is also available at the Commission's website, "**www.privatizealaska.org**." The site also has photos and contact information for commission members, along with links to resource material about privatization and news items from the Commission.

The full commission will submit a written report to the governor and the legislature by January 1, 2000.

###

Attached schedule of committee meetings is subject to change.

Full Commission Schedule & Department Reviews

DATE	Dept Review	Dept Review	Dept Review	Dept Review	Dept Review
October 28	Revenue				
November 4	Corrections	Labor	DEC		
November 10	Legislature	Admin	Courts		
November 18	CED	DOT	Rev:AHFC	Law	
November 24	Education	HESS	Public Safety	Fish & Game	University
November 30	Governor	DMVA			
December ?					
December 13					

Note: Schedule is subject to change

COMMISSION ON PRIVATIZATION and Delivery of Government Services

Co-Chairs:
Representative John Cowdery
Senator Jerry Ward

Senator Al Adams
Bill Allen
Representative Tom Brice
Tom Fink
Michael Harper
Emil Notti
Kathryn Thomas
Don Valesko
George Wuerch

House Majority Press Office: 269-0167
Senate Majority Press Office: 269-0257

For Immediate Release: November 18, 1999

CONTACT: Sen. Jerry Ward (907) 269-0106
Rep. John Cowdery (907) 269-0222

More Privatization Subcommittees Report

Consolidation of AIDEA and AHFC, Efficient Permitting, Comprehensible Budget Recommended

(ANCHORAGE) -- The Commission on Privatization and Delivery of Government Services, established by the Legislature to examine the possibilities of turning some state functions over to private industry, has now received recommendations from 12 of its 15 subcommittees.

Among the Subcommittee recommendations are:

- Merge the Alaska Industrial Development & Export Authority into the Alaska Housing Finance Corporation, producing anticipated savings of $2.5 million;
- Require the State budget to be comprehensible to Alaskans and establish firm timelines for development and reporting of the budget;
- House and Senate Finance Committee hearings should be held into privatization of misdemeanor prosecutions and of the Department of Law's Office of Special Prosecutions and Appeals;
- Department of Natural Resources permitting should be codified and timely, fees should be standardized, and minor permitting should be rapid and routine;
- Airports, ports, and harbors should be transferred to municipalities or port authorities, road maintenance should be performed by the lowest level of local government, and a demonstration project for privatized road maintenance should be established.

The full 11-member commission will accept reports from its remaining subcommittees through the end of November. After hearing from interested and affected parties and receiving public input, the commission will vote on subcommittee recommendations. The commission will submit a written report to the governor and the legislature by January 1, 2000.

The complete subcommittee recommendations will be available to the public from Local Legislative Information Offices and on the commission's web site, "**www.privatizealaska.org**."

###

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0106 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223
http://www.privatizealaska.org

COMMISSION ON PRIVATIZATION and Delivery of Government Services

Co-Chairs:
Representative John Cowdery
Senator Jerry Ward

Senator Al Adams
Bill Allen
Representative Tom Brice
Tom Fink
Michael Harper
Emil Notti
Kathryn Thomas
Don Valesko
George Wuerch

House Majority Press Office: 269-0167
Senate Majority Press Office: 269-0257

For Immediate Release: November 24, 1999

CONTACT: Sen. Jerry Ward (907) 269-0106
Rep. John Cowdery (907) 269-0222

Final Privatization Subcommittees Report

UAF Utilities, Electronic Fish Tickets, Independent DFYS Oversight Board Among Recommendations

(ANCHORAGE) -- The Commission on Privatization and Delivery of Government Services, established by the Legislature to examine the possibilities of turning some state functions over to private industry, Wednesday received recommendations from 5 of its 20 subcommittees.

Among the Subcommittee recommendations reported today are:

- Investigate privatization of the power plant, telephone system and other utilities at the University of Alaska, Fairbanks;

- Urged the Dept. of Fish and Game to adopt electronic fish tickets to monitor catch volumes and tax collections; use private contractors to safeguard wildlife viewing areas; and, use volunteer stream guards manned with cell phones to assist fisheries enforcement on popular fishing streams;

- The subcommittee on the Department of Public Safety told the Commission that the Civil Air Patrol can avail itself of up to another $500,000 from the federal government for anti narcotics operations. But, the CAP must be called upon by the Department before they become eligible for the money;

- The Education subcommittee called for legislation doubling the number of charter schools, lengthening charter school contracts and establishing accounting guidelines. They voted for less administrative paperwork and to include gun safety education in the school programs. They favored a school voucher program for public and private schools. A minority report was filed by members of the teachers union objecting to the voucher proposal and others.

- An Independent Oversight Board for the Division of Family and Youth Services was one recommendation made by the subcommittee on Health and Social Services. They also favored contracting out to local hospitals some of the services now performed by

Anchorage Psychiatric Institute, and, called for an audit of the Medicaid Rate Advisory Commission.

"The Commission will be accepting reports from the remaining 4 subcommittees in the very near future," said Commission Co-Chair Representative John Cowdery (R-Anchorage). "We look forward to the process of hearing from interested and affected parties and receiving public input, and then finally voting on the subcommittee recommendations."

The Commission will submit a written report to the governor and the legislature by January 1, 2000.

The complete subcommittee recommendations will be available to the public from Local Legislative Information Offices and on the commission's web site,

"**www.privatizealaska.org**."

###

ALASKA STATE LEGISLATURE

News From The Senate and House Majorities

State Capitol
Juneau, AK 99801
Actuality line: 1-800-478-6540
For Immediate Release: July 20, 1999

Jerry Ritter (907) 269-0167
Wendy Lindskoog (907) 269-0257
web site: http://www.akrepublicans.org
Contact: Sen. Jerry Ward (907)269-0106
Rep. John Cowdery (907) 269-0222

Privatization Commission Meets

Subcommittees Named; Website Unveiled

(JUNEAU) -- The 11-member Commission on Privatization and Delivery of Government Services, established by the Legislature to examine the possibilities of turning some state functions over to private industry, held an organizational meeting Tuesday in Anchorage.

The Commission unveiled a new website, "**www.privatizealaska.org**." The site has photos and contact information for commission members, along with links to resource material about privatization, meeting schedules, and news items from the Commission. The website is designed to allow the public to keep abreast of Commission activities.

As part of the organizational meeting, members of the public signed up for subcommittees.

"There are fifteen subcommittees, one for each department of the government, and response was so great that eight of them are already filled," said Representative John Cowdery (R-Anchorage), Commission Co-Chair. "These subcommittees will meet with Executive Branch department heads and evaluate programs which might be candidates for privatization."

"The Commission could not hope to finish its work on time without the help of the volunteer subcommittees," said Senator Jerry Ward (R-Anchorage/Kenai), Commission Co-Chair. "This is where a good deal of the Commission's 'nuts-and-bolts' work will take place."

The commission will submit a written report to the governor and the legislature by January 1, 2000.

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ALASKA STATE LEGISLATURE

Media Advisory

State Capitol
Juneau, AK 99801-1182
(907) 269-0167
(907) 465-0257
Actuality line: 1-800-478-6540

Privatization Commission to Meet in Anchorage July 20, 1999 -- 8:00 a.m.

(ANCHORAGE) -- The Commission on Privatization and Delivery of Government Services will meet Tuesday, July 20, 1999, at 8:00 a.m. in the 2nd Floor Conference Room of the Anchorage Legislative Information Office, 716 West 4th Avenue. The meeting will be teleconferenced. Members of the public and press are invited to attend.

The 11-member commission, created by the Legislature this year, is co-chaired by Senator Jerry Ward (R-Anchorage/Kenai) and Representative John Cowdery (R-Anchorage). The commission will examine the possibilities of turning some State functions over to private industry.

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ALASKA STATE LEGISLATURE

News From The Senate and House Majorities

State Capitol
Juneau, AK 99801
Actuality line: 1-800-478-6540
For Immediate Release: September 20, 1999

Jerry Ritter (907) 269-0167
Wendy Lindskoog (907) 269-0257
web site: http://www.akrepublicans.org
Contact: Sen. Jerry Ward (907)269-0106
Rep. John Cowdery (907) 269-0222

Privatization Commission Meets

Focus Shifts to Possible Elimination of Services

(JUNEAU) -- The 11-member Commission on Privatization and Delivery of Government Services, heard Monday from representatives of the nation's military, which has had an ongoing and successful privatization program in operation for several years. The Commission was established by the Legislature to examine the possibilities of turning some state functions over to private industry.

"Last week's vote against using Permanent Fund Dividend money to support State government means that the Privatization Commission's work is taking on added importance," said Commission Co-Chair Rep. John Cowdery (R-Anchorage). "Before, we were just talking about contracting out some services. Now, we have to look more at eliminating some services," Cowdery said.

"It is clear that we must place more emphasis on management issues, said Sen. Jerry Ward (R-Anchorage/Kenai), Commission Co-Chair, responding to a staff report that was partially critical of the Administration's participation. "We need managers who know what is important and what is not important," Ward said.

Calling the Privatization Commission's mission, "serendipitously fortunate," Commission member Kathryn Thomas of Kenai said: "We're just lucky that we are training ourselves about methods to reduce government costs and increase production at a time when the voters are saying that's what they want done. When we took on this job, the commission was only supposed to have a 6 month life span," Thomas said. "It's beginning to look like we're going to live longer than we bargained for."

Commission members spent the morning listening to a polished presentation from the US Army, Alaska about privatization practices in the military. "The Army literally wrote the book on privatization," said Marco Pignalberi, the Commission's Director, who arranged the briefing. "There is a substantial body of literature on this subject and it all points to seminal work done by the Office of Management and Budget and the Department of the Army," said Pignalberi.

-- More --

The public can contact the Commission anonymously with suggestions for privatizing or eliminating State government services by calling toll-free **1-888-562-7474** or, in Anchorage, 269-0226. In addition, the Commission has established a website, "**www.privatizealaska.org**." The site has photos and contact information for commission members, along with links to resource material about privatization, meeting schedules, and news items from the Commission. The website is designed to allow the public to keep abreast of Commission activities.

The commission will submit a written report to the governor and the legislature by January 1, 2000.

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ALASKA STATE LEGISLATURE

News From The Senate and House Majorities

State Capitol
Juneau, AK 99801
Actuality line: 1-800-478-6540
For Immediate Release: July 12, 1999

Jerry Ritter (907) 269-0167
Wendy Lindskoog (907) 269-0257
web site: http://www.akrepublicans.org
Contact: Sen. Jerry Ward (907) 269-0106
Rep. John Cowdery (907) 269-0222

Members Appointed to Privatization Task Force

Panel to Hold First Meeting July 20 in Anchorage

(ANCHORAGE) -- Senate President Drue Pearce and Speaker of the House Brian Porter Monday announced appointment of the 11-member Commission on Privatization and Delivery of Government Services.

The commission is authorized by Senate Bill 33, sponsored by Senator Jerry Ward (R-Anchorage/Kenai), which the Governor signed into law last month. The members will examine the possibilities of turning some state functions over to private industry. The commission will submit a written report to the governor and the legislature by January 1, 2000.

Senator Pearce appointed Senator Ward as Co-Chair. Other Senate appointees are: Senator Al Adams (D-Kotzebue); Mr. Bill Allen, General Manager of Doyon Properties, Inc. of Fairbanks; and Mr. William Prosser, Chairman of Cook Inlet Region, Inc.

Speaker Porter appointed Representative John Cowdery (R-Anchorage) as Co-Chair. Other House appointees are: Representative Tom Brice (R-Fairbanks); former House Speaker and Anchorage Mayor Tom Fink; and Ms. Helvi Sandvik, President of NANA Development, Inc.

The remaining three committee members authorized by SB 33 are: Anchorage Assembly Chair George Weurch, appointed by the Alaska Municipal League; Ms. Kathryn Thomas of Kenai, appointed by the Alaska State Chamber of Commerce; and Mr. Don Valesko, appointed by the AFL-CIO.

Senator Ward and Representative Cowdery announced that the Commission's first meeting will be at 8 a.m. July 20, 1999, in the 2nd Floor Conference Room of the Anchorage Legislative Information Office, 716 West 4th Avenue. The meeting will be teleconferenced. Members of the public and the press are invited to attend.

###

Subject: PTF Releases
Date: Fri, 28 Jan 2000 09:55:38 -0900
From: Jerry Ritter <Jerry_Ritter@legis.state.ak.us>
Organization: Alaska State Legislature
To: Marco Pignalberi <Marco_Pignalberi@legis.state.ak.us>

Marco

I believe this is everything I released. I don't know if Sen. Ward put out anything on his own hook.

JR

PTFSubSched.doc	**Name:** PTFSubSched.doc **Type:** Winword File (application/msword) **Encoding:** base64 **Download Status:** Not downloaded with message

PTF 11-10.doc	**Name:** PTF 11-10.doc **Type:** Winword File (application/msword) **Encoding:** base64 **Download Status:** Not downloaded with message

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PTF Mtg 7.20.doc	**Name:** PTF Mtg 7.20.doc **Type:** Winword File (application/msword) **Encoding:** base64 **Download Status:** Not downloaded with message

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PTFMembers.doc	**Name:** PTFMembers.doc **Type:** Winword File (application/msword) **Encoding:** base64 **Download Status:** Not downloaded with message

PRIVATIZATION PROCESS UNDERWAY.doc	**Name:** PRIVATIZATION PROCESS UNDERWAY.doc **Type:** Winword File (application/msword) **Encoding:** base64 **Download Status:** Not downloaded with message

PRIVATIZATION PROCESS UNDERWAY
Co-Chairs Pleased by Overwhelming Response

Approximately 300 Alaskans have volunteered their time to help the Commission on Privatization and Delivery of Government Services. The full 11-member commission, which the 21st Alaska Legislature established to examine the possibilities of turning some State functions over to private industry, held its first meeting July 20.

One subcommittee has been established for each department in State government, plus the court system, the university system, and the Legislature, itself. The Governor has assigned a departmental liaison from each department.

The subcommittees began meeting in late July and will continue their work throughout the late summer and early fall. Commission Co-Chairs, Senator Jerry Ward (R-Anchorage) and Representative John Cowdery (R-Anchorage), say they expect subcommittee reports to start coming in by late October.

In addition to Ward and Cowdery, Commission members include: Senator Al Adams (D-Kotzebue); Representative Tom Brice (D-Fairbanks); former Speaker of the House and Anchorage Mayor Tom Fink; Anchorage Assembly Chair George Weurch; Bill Allen, General Manager of Doyon Properties, Inc. of Fairbanks; William Prosser, Chairman of Cook Inlet Region, Inc.; Helvi Sandvik, President of NANA Development, Inc.; Kathryn Thomas of Kenai, appointed by the Alaska State Chamber of Commerce; and Don Valesko, appointed by the AFL-CIO.

"It's gratifying to see so many Alaskans take the time to volunteer their time for this important work," said Senator Ward. "The true 'nuts-and-bolts' work relating to privatization will take place in these subcommittees and it's these volunteers who are shouldering the load."

"Every dollar we can save through privatization actually does double-duty," said Representative Cowdery. "Not only is it a dollar that doesn't come out of the State's treasury, but it's a dollar that actually goes into the private sector, which is, of course, what drives the state's economy."

The subcommittees' reports will be reviewed by the full committee, which may or may not make amendments before making a comprehensive written report to the Legislature and the Governor by January 1, 2000.

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How to contact the Privatization Task Force:

Mailing address:

Commission on Privatization and Delivery of Government Services
716 West 4th Avenue
Anchorage, AK 99501

Phone:

(907) 269-0222

Fax:

(907) 269-0223

E-Mail:

xxxxxxxxxxxx

On the web:

www.privatizealaska.org

CO-CHAIRS' CORNER
by Senator Jerry Ward and Representative John Cowdery

Some 300 Alaskans have volunteered to work with the Commission on Privatization and Delivery of Government Services. In light of the supposed popular attitude that cynicism about - and distrust in - government are prevalent in our society, this overwhelming response is more than gratifying. It is an affirmation that Alaskans still believe in grass roots democracy and are willing to give of themselves to make it work the way it's supposed to work.

Time and space constraints do not permit us to thank each and every volunteer who stepped forward and gave of his or her time. But we do want to acknowledge that effort in some public, albeit small, was. So, to each and every one of you we say "thank you."

The Commission, popularly known as the "Privatization Task Force," is examining all aspects of State government. 18 subcommittees are examining each of the State's 15 government departments, the university, and the court system. That's 17. The 18th? That's the legislature, itself, and there is a subcommittee examining it, as well.

The idea is not to conduct a "witch hunt" or to "get" anyone or any particular program. The idea is for people who are not involved in the day-to-day operation of government to examine what it does with a fresh, unprejudiced eye. Is this a necessary service? If not, why are we providing it? If so, is it a service which could be more efficiently provided by the public sector? When the examinations are over, each subcommittee will submit a report to the full Commission which, in turn, is charged with preparing a final report to the Legislature and the Governor by January 1, 2000.

Every member of the Legislature is eagerly anticipating this final report. For the first time we will have written evidence, based upon first-hand examination and study, of what services the public, wants and needs from State government. We'll see where you think money and effort is being spent wisely and, perhaps, not-so-wisely. In addition, we'll have some consensus opinions on how those services can be made better and more efficient.

Again, we want to thank the Commission members and all the Alaskans who have volunteered for subcommittee work, to wish them well in their efforts, and we urge all Alaskans to contact the Commission, either directly or through the subcommittees, with your ideas and proposals.

QUESTIONNAIRE

What areas of government should be privatized?

1____
2____
3____

Comments: _____

(fold)

Would you be willing to volunteer?

/ / Yes / / No

If "yes," in what capacity? _____

What hours are you available? ____

Special skills: _____

How to reach me: _____

(fold)

(Return address)

Public Versus Private Initiative in Arctic Exploration:

The Effects of Incentives and Organizational Structure

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I thank Peter Conroy for research assistance, and Helen Adams, Mike Buesseler, Wayne Ferson, Alan Hess, Paul Malatesta, Jeff Pontiff, Ed Rice, and participants at the University of Washington finance seminar for helpful comments.

Public Versus Private Initiative in Arctic Exploration:
The Effects of Incentives and Organizational Structure

Abstract

From 1818 to 1909, 35 government and 56 privately-funded expeditions sought to locate and navigate a Northwest Passage, discover the North Pole, and make other significant discoveries in arctic regions. Most major arctic discoveries were made by private expeditions. Most tragedies were publicly funded. By other measures as well, publicly-funded expeditions performed poorly. On average, 5.9 (8.9%) of their crew members died per outing, compared to 0.9 (6.2%) for private expeditions. Among expeditions based on ships, those that were publicly funded used an average of 1.63 ships and lost 0.53 of them. Private ship-based expeditions, in contrast, used 1.15 ships and lost 0.24 of them. Of public expeditions that lasted longer than one year, 46.7% were debilitated by scurvy, compared to 13.2% for private expeditions.

Multivariate tests indicate that these differences are not due to differences in the exploratory objectives sought, country of origin, the number of previous expeditions on which the leader served, or the decade in which the expedition occurred. Rather, they are due to systematic differences in the ways public and private expeditions were organized. Historical accounts indicate that, compared to private expeditions, public expeditions: (1) employed leaders that were relatively unmotivated and unprepared for arctic exploration; (2) separated the initiation and implementation functions of executive leadership; and (3) adapted slowly to new information about clothing, diet, shelter, modes of arctic travel, organizational structure, and optimal party size.

Public Versus Private Initiative in Arctic Exploration:
The Effects of Incentives and Organizational Structure

I. Introduction

Politicians and researchers continue to debate the relative merits of public and private enterprise. Proponents of schemes to privatize government-owned businesses claim that private companies run more efficiently. The evidence, however, is mixed. Boardman and Vining (1989) report that government-owned companies are less profitable than private firms, and Megginson, Nash, and Van Randenborgh (1994) report that newly privatized companies have significant performance improvements. Kole and Mulherin (1997), in contrast, find that large blockholdings by the U.S. government do not correspond to poor corporate performance. Similarly, Caves and Christensen (1980) conclude that publicly-owned Canadian railroads do not perform worse than their private counterparts. Dewenter and Malatesta (1998) find that government-run companies tend to improve performance *before* they are privatized, but not afterwards.

Eckel, Eckel, and Singal (1997) point out that attempts to compare the performances of public and private enterprises encounter problems from differences in accounting, market environments, regulations, and objectives. In this paper I propose an alternative way to investigate the relative efficiencies of public and private enterprise: by examining historical data on arctic exploration in the 19th century.

Much like space exploration in the 20th century, arctic exploration in the 19th century dominated popular culture in Europe and the United States. There are many parallels between exploration of outer space last decade and of arctic regions last century. Both involved competitive races for major geographic prizes: the first manned orbit and lunar landing in one, and the Northwest Passage and North Pole in the other. In both cases, returning explorers became symbols of national pride. Disasters and deaths triggered widespread mourning and calls for cutbacks in exploration activity.

In one important area, however, the analogy between 19th and 20th century exploration breaks down. The twentieth century space race involved primarily the bureaucracies of two national governments. Nineteenth century polar expeditions, in contrast, were conceived, initiated, and funded by both national governments and private organizations. The public and private expeditions shared a common goal: geographic discovery without loss of life or ship. Initiators of both expedition types were rewarded for discovery through public adulation, awards,

promotions, cash prizes, book sales, lecture fees, and larger budgets. They also were penalized for failure, through lost funding opportunities, smaller budgets, and fewer personal rewards. In extreme cases, failure also meant death from accidents, exposure, scurvy, or starvation.

Because goals, prospective rewards, and penalties were in most cases similar, it is possible to make meaningful comparisons between the successes of public and private arctic expeditions. I find that, compared to private expeditions, government-sponsored expeditions tended to be large and well-funded. By most measures, however, the government expeditions fared poorly. They made fewer major discoveries, introduced fewer technological innovations, were subject to higher rates of scurvy, lost more ships, and had more explorers die.

To be sure, most leaders of government-funded expeditions performed courageously -- U.S. Army Captain Adolphus W. Greely, for example, personally cared for his dwindling number of starving men in the winter of 1884, and British Navy Lt. John Franklin literally ate his boots to stay alive in 1821.[1] Many made notable discoveries -- Fridtjof Nansen, for example, relied on government funding to implement his plan to *purposefully* get his ship stuck in the polar ice, thereby floating most of the way to a new furthest north in 1895. Also, many privately funded expeditions were fiascos -- Evelyn Baldwin, for example, so alienated his crew that his 1901 attempt at the North Pole achieved nothing, despite lavish financial support from industrialist William Ziegler.

On average, however, public expeditions represent few of the major arctic discoveries and a large share of the fiascos. In section II below, I present case histories of several famous arctic expeditions that illustrate this conclusion. To provide a more systematic analysis, sections III through VI compare the characteristics of 35 public and 56 private arctic expeditions from 1818 - 1909. Section III summarizes the data from these 91 expeditions. Sections IV and V report on univariate comparisons of the public and private expeditions' characteristics and outcomes. Section VI presents multivariate tests that examine the determinants of expedition success or failure.

The evidence indicates that the source of initiation and funding is strongly related to expedition performance. For example, an average of 5.9 crew members died on public

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[1] In a passage typical of his casual description of his crew's desperate fight for life, Franklin writes, "We drank tea and ate some of our shoes for supper" (Franklin 1988, p. 307).

expeditions, compared to 0.9 on private expeditions. Public ship-based expeditions lost 0.53 ships, on average, compared to 0.24 for private expeditions. Debilitating scurvy struck 46.7% of all public expeditions lasting longer than one year, compared to 13.2% for private expeditions. Not only did private expeditions take most of the major arctic prizes, but they also made arctic discoveries using relatively few crew members and vessel tonnage.

Finally, in section VII, I examine the reasons for public expeditions' poor performance. Compared to their private counterparts, public expeditions: (1) had poorly motivated and prepared leaders; (2) separated the initiation and implementation functions of executive leadership; and (3) were slow to exploit new information about clothing, diet, shelter, modes of arctic travel, organizational structure, and optimal party size.

II. Arctic Exploration During the Heroic Age: 1818 - 1909

II.A. Major arctic prizes

Nineteenth century arctic exploration focused on two major goals: to discover and navigate the Northwest Passage, and to discover the North Pole. A third goal, to discover the fate of the lost Franklin expedition of 1845, rose to prominence in the 1850's.[2] Each of these prizes promised riches "beyond his wildest dreams" to the person who achieved it (Berton 1988, p. 21). The British government, for example, posted a £ 15,000 award for the discovery of a Northwest Passage. Successful explorers also anticipated, and typically received, knighthoods, political positions, and/or honorary treatment around the world, not to mention a lucrative income from books and lecture tours.

In terms of accomplishing these major quests, private explorers fared much better than those who relied primarily upon public funds. Running a shoestring budget, Roald Amundsen first navigated the Northwest Passage from 1903-06 after sailing from Norway in the middle of the night to prevent a creditor from confiscating his ship. Robert Peary, backed by a council of such

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[2]A fourth major arctic goal was the crossing of Greenland, accomplished by Fridtjof Nansen during 1888-89. Nansen's primary competitors were Robert Peary and A.E. Nordenskiold, who failed in previous attempts to cross Greenland. Because it did not involve a long-running competition between public and private expeditions, the crossing of Greenland may not rise to the level of the three major arctic quests. Nevertheless, I include it in some empirical tests below.

wealthy investors as J.P. Morgan, laid the first credible claim to the North Pole in 1909.[3] And despite enormous public expenditures by the British government from 1847 to 1855 to locate John Franklin's missing crew, Franklin's fate was determined almost exclusively through private efforts: John Rae first discovered relics and remains of some crew during 1853-54, and Francis M'Clintock in 1858 discovered the sole written record ever found from the ill-fated expedition. Later (private) expeditions by Charles Francis Hall and Frederick Schwatka discovered additional relics and interviewed Inuit Natives to help complete the narrative.

The sole portion of a major arctic prize that can be credited to a publicly-sponsored expedition is the initial verification that a Northwest Passage exists. Traveling east around Alaska in 1850, British Navy Captain Robert McClure's ship was beset in ice near the northern shore of Banks Island. In 1853, with four out of 66 crew members dead and the rest near death by starvation, McClure was saved by a sledging crew from a British naval expedition that entered the Canadian archipelago from the Atlantic Ocean. McClure abandoned ship and returned to England via the Atlantic with his rescuers, but in doing so generally is credited with having discovered the first Northwest Passage.[4,5]

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[3]Frederick Cook's claim to have reached the North Pole in 1908 was thoroughly discredited by 1911. Peary's claim also has been criticized, although historians agree that he reached much further north than any predecessor; unlike later North Pole explorers, he also *returned* without air or other assistance (e.g., see Rawlins 1972; Herbert 1989). Richard Byrd's claim to have flown to the North Pole in 1926 also is disputed (e.g. see Fisher 1992, pp. 192-200). The first undisputed claim to the North Pole is by Roald Amundsen, who flew by dirigible in 1926. Cook, Byrd, and Amundsen's expeditions all were privately funded.

[4]Another publicly-funded expedition, the one led by Franklin in 1845, also may have found a Northwest Passage. Franklin's ships sailed through and eventually got stuck in ice in a portion of the Canadian archipelago that now is called Franklin Strait. It is possible that, before their death, the crew traveled by foot over the last remaining unexplored stretch of a Northwest Passage via Rae Strait and Queen Maud Gulf.

[5]Although I focus on arctic exploration, the experiences of many antarctic explorers of this period are similar. For example, Roald Amundsen's private expedition to the South Pole was so finely managed that, traveling over entirely new terrain, he and his men actually gained weight during their excursion to the Pole. Robert Falcon Scott, in contrast, displayed less adaptability to antarctic conditions. Although Scott's last expedition was largely financed by private sources, Scott maintained the rigid naval conventions that characterized his previous and nearly-disastrous antarctic expedition in 1901-03, for which he was selected by the British Navy. Scott and four crew members died after getting beat to the South Pole by Amundsen (see, e.g., Huntford 1979).

II.B. Major arctic tragedies

Although publicly-sponsored expeditions achieved few of the major discoveries, they comprise the major tragedies of arctic exploration. The most famous tragedy is the 1845 Franklin expedition. Initiated through the efforts of Sir John Barrow, the undersecretary of the British Navy, this expedition was outfitted with two large converted war ships. It carried a crew of 129 and stocked a three-year supply of provisions. To lead the expedition, Barrow picked John Franklin, a national hero from two overland expeditions in northern Canada from 1819-27. By 1845, however, Franklin was 60 years old and recovering from a personally and politically devastating stint as Governor of Van Diemen's Land (Tasmania). Citing letters from Franklin's friends, Berton argues that Franklin was chosen as a personal favor, to help him reestablish political respectability, rather than because of any arctic leadership abilities.[6]

Franklin's ships left London with orders to circumnavigate the earth after sailing through a Northwest Passage. After last being seen by Baffin Bay whalers in 1845, however, Franklin's ships were never seen again. Subsequent reports from John Rae and Francis M'Clintock indicate that the ships were trapped in ice and destroyed, and that crew members died trying to walk south to safety. "They fell down and died as they walked along," reported an old Inuit woman to M'Clintock (Courtauld 1958, p. 290). Evidence of cannibalism indicates that most crew members starved to death.

A second famous tragedy resulted from a U.S. Government-sponsored expedition during 1881-84 led by Adolphus Greely, an officer in the Army Signal Corps. Greely's men were deposited on a northern shore of Ellesmere Island, from where sledging parties established a record for a furthest north. But when no relief ship appeared by 1883, Greely, following orders given him at the start of the expedition, abandoned his base and traveled south on foot, hoping to be picked up by a rescue ship. Nineteen of Greely's crew of 25 died before rescuers found the six starving survivors huddled under a fallen canvas tent near the southern part of Ellesmere Island.

Among private expeditions, the greatest tragedy involved an attempt by Navy Lieutenant George Washington De Long from 1879-81 to reach the North Pole by travelling north of Siberia.

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[6] "If you don't let him go the man will die of disappointment," wrote Edward Parry to the British Navy about Franklin. Writing to James Clark Ross about Franklin's possible appointment, Jane Franklin claimed, "I think he will be deeply sensitive if his own department should neglect him . . . I dread exceedingly the effect on his mind ..." (quotes from Berton 1988, pp. 141-2).

(The expedition was "... indorsed (sic) by special act of Congress", which "authorized the Secretary of the Navy to take charge of the expedition and to appoint De Long to its command" (Miller 1930, pp. 187, 189). It was staffed by Navy personnel and conducted under Navy discipline. But since a majority of financial support came from James Gordon Bennett, the publisher of the New York *Herald*, I classify this as a private expedition.) His ship trapped and damaged by ice, De Long and his crew headed south to Siberia in three small boats. When a storm overtook them, one boat disappeared, a second reached safety, and a third reached shore only to have most of its members die of starvation. In all, 20 of the 33 crew members died, including De Long.

III. Data

As the De Long tragedy illustrates, privately-funded expeditions were not uniformly successful. Likewise, many significant discoveries were made by expeditions that used government funds. To examine more systematically the determinants of expedition success and failure, I use data on 91 different arctic explorations from 1818 through 1909. Appendix #1 lists these 91 expeditions. I begin my analysis in 1818, when the British Navy first exploited renewed interest in arctic discovery to forestall calls for military downsizing. The sample period ends in the year Robert Peary claimed to reach the North Pole. After 1909, technological changes -- especially in air travel -- and the increasing diversity among explorers' goals make difficult any direct comparisons between public and private expeditions. Viljhammer Stefansson's expeditions starting in 1913, for example, sought new arctic lands and a mythical tribe of "Blond Eskimos." In 1926, Roald Amundsen and (possibly) Richard Byrd each reached the North Pole by air (see Clarke 1964; Fisher 1992, pp. 192-201).[7]

The expeditions listed in Appendix #1 were identified from Holland (1994a) and Berton (1988). Data on the expedition's initiator, the leader's prior experience, primary sources of funding, ships and vessel tonnages, crew sizes, deaths, incidence of scurvy, and other outcomes

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[7]Anecdotal evidence from the years after 1909, however, is consistent with the evidence reported in this paper. An expedition sponsored by the Canadian government and led by Viljhammer Stefansson from 1913 - 18, for example, was marked by poor organization and conflicting incentives among the leaders and scientists on the trip. The expedition lost both its ship and the lives of 11 of 25 members (see Struzik 1991, pp. 133-5). The last great arctic tragedy, involving the Italia dirigible in 1928, was sponsored by Mussolini's Italian government. Eight of the 16 crew died and the airship was lost (see Fisher 1992, pp. 202-9).

were collected from a variety of additional sources listed in the references and Appendix #2. The information from these sources sometimes is inconsistent. For example, two different sources may report slightly different crew sizes or vessel tonnages. When conflicts arise, I use the information provided in Holland (1994a), if available, then Berton (1988), then the source that by date or author identity seems closest to the expedition in question.

During the 1818-1909 period, hundreds of voyages were taken to arctic regions. Most, however, were commercial whaling and sealing ventures, or trips to resupply the Hudson Bay Trading Company's outposts in northern Canada. I focus instead on expeditions made primarily -- in many cases exclusively -- for geographic discovery, focusing primarily on the Northwest Passage, Greenland, and North Pole. I exclude expeditions seeking the Northeast Passage (across the Russian arctic) or exploring the Bering Sea and Alaska.

Some expeditions, particularly during the Franklin search period of 1847-1859, involved coordinated efforts from more than one ship. As an example, Horatio Thomas Austin commanded four ships during a 1850-51 effort to find Franklin. In general, I list such efforts as single expeditions. In isolated cases I treat ships that were dispatched together as separate expeditions. The most notable example of this involves Robert McClure in 1850-54. McClure's *Investigator* originally was supposed to be part of a larger search coordinated by Richard Collinson aboard the companion ship *Enterprise*. Through a combination of miscommunication and deception, however, McClure effectively established separate command, and his is treated as a separate expedition in this study. (While such treatment involves judgment calls on my part, the major empirical results reported below do not change if I treat these cases as parts of their original expeditions.)

Data on vessel tonnages are reported only occasionally in most popular accounts of arctic travel. When popular or first-hand accounts do not provide vessel tonnage data, I rely on Hartman's (1983) *Guiness Book of Ships and Shipping*, Kemp's (1976) *Oxford Companion to Ships and the Sea*, and various issues of *Lloyd's Register of Shipping* (1850, 1851, 1875, 1900, 1905). I can find no information on the tonnage weights for 10 vessels. For tests reported in this paper, I estimated tonnages for these 10 vessels using a technique described by Maddala (1977, p. 204). Using data from all expeditions with complete records, I first estimated an ordinary least squares regression using tonnage as the dependent variable and crew size and expedition year as

independent variables. Coefficients estimated from this regression were then used to fit values for vessel tonnage for the 10 cases. The results reported here are not sensitive to this procedure, and tests in which these 10 expeditions are excluded yield similar conclusions.

Table 1 reports the distribution of the expeditions by nationality and the decades in which they began. A majority -- 49 -- were British, 24 American, and 18 from continental Europe, including Austria, Denmark, Germany, Italy, Norway, Russia, and Sweden. Until an American expedition led by Lt. Edwin DeHaven in 1850, all expeditions had British origins. The decade of the 1850's has the largest number of expeditions, due largely to the intensive search for the lost Franklin expedition. Many expeditions also occur in the latter decades, reflecting the increased interest in arctic exploration from the United States and continental Europe.

Panel B of Table 1 shows how the goals of arctic exploration changed over time. From 1818 through 1846, 14 of 16 expeditions sought the Northwest Passage. Expedition leaders' stated goals changed after Franklin's disappearance in 1845. Of the 28 expeditions from 1847 through 1864, 27 ostensibly were to search for Franklin. There is little doubt, however, that in many cases the Franklin search was a thinly veiled excuse for further discovery, most often to seek the Northwest Passage. Following the discovery of a passage in 1854 and of Franklin's demise by 1859, the Franklin search wound down and the focus of arctic exploration shifted to the North Pole. Thirty-four of the 47 expeditions between 1868 and 1909 sought the Pole. During this period, 10 expeditions had other primary motives, most involving Greenland. These include Fridtjof Nansen's 1888-89 first crossing of Greenland, and Robert Peary's 1891-92 and 1893-95 expeditions to northern Greenland (largely to determine Greenland's northernmost reach).

Many expeditions relied on combinations of public and private support. As shown in Panel C of Table 1, however, 35 relied primarily (i.e., more than 50%) upon government funding, while 56 were supported primarily from private funds. Government-supported expeditions generally are more common in the first half of the sample period, and privately-supported expeditions are more common in the latter half. In most decades, however, public and private expeditions competed directly with each other.

Finally, Panel D of Table 1 reports on the primary mode of transportation used in the expeditions. Sixty-three were primarily ship-based, in which ships were navigated in search of the

Northwest Passage, Franklin, or the North Pole. Of the remaining 28, 24 relied primarily on overland or ice travel, and four relied primarily on helium balloons in attempts to reach the North Pole. The distinction between land and ship-based expeditions sometimes is ambiguous. Many overland expeditions were supplied by ships, and most ship-based expeditions deployed teams that traveled over land and ice. I classify those for which the ship was used as most crew members' primary home as ship-based. If the ship deposited the explorers and returned to civilization, I classify the expedition as land-based. As reported in Panel D, the mix of ship-based versus other travel modes is roughly constant over time.

IV. Characteristics of public versus private expeditions

Anecdotal evidence suggests that public expeditions were much better financed than private expeditions. This is consistent with the evidence reported in Table 2. Sixty-three of the 91 expeditions -- 30 public and 33 private -- were based on ships. Of these, publicly-funded expeditions employed an average of 1.63 ships, private expeditions an average of 1.15 ships. The difference in means is statistically significant at the 1% level using both parametric and Wilcoxon rank sum test statistics. Public expeditions not only employed more ships, they also used larger ships. The mean tonnage per vessel on public expeditions is 365.8, compared to 260.6 for vessels on private expeditions. The mean tonnage of <u>all</u> vessels used, per expedition, is 596.2 tons for public expeditions and 276.9 tons for private expeditions. This difference is statistically significant at the 1% level.

Public expeditions also employed more people. The average crew size for all 35 public expeditions, including both land and ship-based trips, is 69.7. For private expeditions, it is 16.2. (Crew data are not available for two private expeditions: an 1871 North Pole excursion by Benjamin Leigh Smith and a 1900 German North Pole expedition led by Oskar Bauendalh.) Thus, public expeditions used more and larger ships, and employed substantially more people, than private expeditions. This indicates that the typical public expedition was much more costly than the typical private expedition.[8]

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[8]Many illustrations exist of the relative frugality of private expeditions. As one example, to save money and weight, John Rae carried no tobacco on his 1853-4 search for Franklin. Rae's total load weighed less than the tobacco Franklin carried with him in 1845 (Struzik 1991).

Also reported in Table 2, leaders of public expeditions had been on 1.8 previous arctic or antarctic exploratory expeditions, on average. Their private counterparts previously had been on 1.5 previous polar expeditions. This difference in experience, however, is not statistically significant.

V. Univariate comparisons of expedition outcomes

Unlike profit-seeking businesses, arctic explorations have no single measure -- i.e., wealth creation -- by which to judge success or failure. Instead, I focus on four alternative groups of measures: crew member deaths, loss of ship, incidence of scurvy, and the efficiency with which new discoveries were made.

A. Crew member deaths and death rates

My first measures are the number and percentage of crew member deaths. None of the arctic explorers in my sample displayed anything short of a fervent desire to return home alive. Even for expedition leaders who returned alive, the death of any crew member was treated as both a tragedy and a failure of the expedition. Deaths reflected poorly on the expedition leader, possibly tarnishing his image and decreasing his ability to transform arctic fame into wealth or promotion. Deaths increased the public's perception of the risk of future expeditions, thus making more difficult one's ability to raise money from either public or private sources.[9]

Panel A of Table 3 reports on the average numbers and percentages of deaths for public and private expeditions. On average, 5.9 crew members died on public expeditions, compared to 0.9 on private expeditions. The difference is statistically significant at the 1 percent level using the Wilcoxon measure, but because of the large variance due to the 1845 Franklin disaster, the parametric test statistic is not significant. Omitting the Franklin expedition, the mean number of deaths on public expeditions falls to 2.3, but the t-statistic for the difference in means increases to 1.92.

One reason public expeditions had more deaths is that they deployed more crew. Still, the

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[9]The adverse impact of crew members' deaths is reflected in newspaper editorials of the time. For example, responding to Sherard Osborn's 1868 proposal for a British North Pole expedition, *The Times* of London argued, "We must protest in the name of common sense and humanity ... We trust that not a single life may be adventured in another attempt to reach the North Pole" (Berton 1988, p. 412).

death rate as a percentage of crew size is larger for public expeditions, 8.93% versus 6.15% on private expeditions. The difference is statistically significant at the 10% level using the Wilcoxon signed rank test statistic.

V.B. Ships and vessel tonnage lost

Other than losing crew members, the greatest single representation of failure among sea-going expeditions was the loss of ship. The ship was the expedition's link to civilization and safety. Losing it doomed crew members to an extended period of privation and uncertainty over their fate. Even among leaders who survived, shipwrecks could end careers. In the British Navy, for example, the loss of ship triggered an automatic court-martial of the captain (Struzik 1991, p. 97). In my sample, only three leaders returned to lead a subsequent expedition after losing a ship. Even in these cases, shipwrecks appear to have had adverse reputational effects. Edward Parry shifted his attention away from the Northwest Passage and attempted only one more expedition after losing the *Fury* in 1824, and John Ross had to finance his final 1850 expedition largely on his own after losing the *Victory* in 1830. Only Walter Wellman, who lost the *Ragnvald* in 1894, continued to pursue an extended arctic career after his shipwreck.

By this measure also, public expeditions fared poorly. As reported in Panel B, among the 30 ship-based public expeditions, the mean number of ships lost is 0.53. The mean for the 33 ship-based private expeditions is 0.24. Thus, approximately one ship was lost for every two public expeditions or every four private expeditions. These means are significantly different at the 10% level using the parametric t-statistic, but not using the Wilcoxon rank-sum test statistic.

One reason public expeditions lost more ships is that they deployed more of them. Public expeditions lost 33.8% of their ships deployed, compared to 22.7% for private expeditions. This difference, however, is not statistically significant.

Panel B also reports on the vessel tonnage represented by the lost ships. The mean loss for public expeditions is 197.9 tons, compared to 59.7 tons for private expeditions. The difference is statistically significant at the 5% level using the parametric t-test, and at the 10% level using the Wilcoxon test. Public expeditions also lost a greater fraction of their vessel tonnage employed, 34.9% versus 22.3% for private expeditions. This difference, however, is not statistically

significant.[10]

Hence, public expeditions lost more ships and more vessel tonnage than private expeditions. This is partly but not wholly because public expeditions used more and larger ships. Public expeditions lost a greater fraction of their ships and vessel tonnage deployed, but not by statistically significant amounts.

V.C. Scurvy

Scurvy -- a debilitating and ultimately fatal disease attributable to a vitamin C deficiency -- contributed to many expeditions' problems. The cause of scurvy was not established until the 20th century. Until then, avoiding it was a central goal of nearly all expeditions. In addition to contributing to crew members' deaths, scurvy's debilitating symptoms severely limited their exploring capabilities. Arctic explorers tried various methods to avoid it, including brisk exercise, diversionary entertainment, lemon juice, and fresh meat. (Of these, only the latter two are anti-scorbutics.)

Scurvy's effects typically became apparent only after several months. Even if scurvy was incipient on expeditions lasting less than one year, its presence usually was undetected. I therefore examine the incidence of scurvy for the 68 of the 91 expeditions that lasted longer than one year. Of these, 19 definitely or probably were affected by advanced forms of scurvy. Twenty others were free of it. The remaining 29 expeditions most likely did not have significant scurvy problems. Panel C of Table 3 reports on two measures of the incidence of scurvy. The first excludes the 29 cases about which I am uncertain, and the second presumes that these expeditions did not have advanced scurvy problems.

Based on the first measure, 14 of 17 (82.4%) of public expeditions had significant scurvy problems. Only five of 22 (22.7%) public expeditions had such problems. Using the second measure, 14 of 30 (46.7%) public expeditions, and five of 38 (13.2%) private expeditions had scurvy. Both differences in proportions are statistically significant at the 1% level.

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[10] In addition to the 63 ship-based expeditions, I have data on the ships used by 11 of the land-based or balloon expeditions. Ten of these are private and one public. Including data from these 11 expeditions, the differences in means and associated test statistics for each of the measures in Panel B become larger. For example, the mean number of ships lost per public expedition is 0.52, and per private expedition is 0.19. This difference in means is statistically significant at the 5% level using either the parametric or Wilcoxon test statistic.

V.D. Achievements

Panel D reports on three measures of expedition achievement. The first reflects the major arctic prizes: discovery and navigation of the Northwest Passage, discovery of the lost Franklin expedition, and discovery of the North Pole. I include as a fourth major prize the initial crossing of Greenland.[11] Of the 35 public expeditions in the sample, only one, or 2.9% (Robert McClure in 1850-54) achieved one of these prizes. Five of the 56 private expeditions accomplished one of the prizes: Rae in 1853-54 and M'Clintock in 1857-59 each claiming a share of the resolution to the puzzle of the missing Franklin expedition, Nansen crossing Greenland in 1888-89, Amundsen navigating the Northwest Passage from 1903-06, and Peary making it to the North Pole (or thereabouts) in 1908-09. However, the success rate for private expeditions of 8.9% is not significantly higher than that for public expeditions.

A second measure of achievement recognizes other major geographic discoveries in addition to the major arctic prizes. I define such major discoveries as consisting of: (i) major island groups (e.g., Weyprecht's discovery of Franz Josef Land during 1872-74), (ii) the establishment of a new farthest north (e.g., Parry in 1827), and (iii) three miscellaneous expeditions. These three are John Ross' discovery of the north magnetic pole during 1829-33, Parry's 1819-20 push into the Canadian archipelago that was not duplicated for over 30 years, and Nordenskiold's 1868 new furthest north for a ship. Using this criterion, public and private expeditions had similar records of achievement. A total of 7 of 35 (20%) public expeditions, and 11 of 56 (19.6%) private expeditions recorded such major discoveries. The difference in proportions is not statistically significant.

A third measure of achievement includes the major discoveries plus a number of lesser-known but significant accomplishments. I include 14 additional expeditions in this set. Examples include Franklin's 1825-27 charting of 1,000 new miles of the Canadian arctic coast, George Back's 1833-35 discovery and navigation of the Back River, William Kennedy's record-setting sledge trip during 1851-52, and Elisha Kent Kane's 1853-55 push into Smith Sound and the Kane

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[11] As noted in footnote 3, the initial crossing of Greenland may not rise to the level of a "major arctic prize." Hence, an argument can be made to exclude it from this list. Demoting it to my second measure of achievement ("major geographic discoveries"), however, has little effect on the results reported here.

Basin. As reported in Panel D of Table 3, 12 of 35 (34.3%) public expeditions recorded such achievements. Of the 56 private expeditions, 20 (35.7%) recorded achievements of similar importance.[12]

V.E. Achievement efficiency

Although the rates of achievement do not differ significantly between public and private expeditions, the efficiency with which the achievements were made do. This is because public expeditions tended to be much larger and more costly than private expeditions. Panel E reports on three measures of achievement efficiency. The first is

Efficiency measure #1 = (1 + Major arctic prize)/Crew size, (1)

where "Major arctic prize" equals one for expeditions achieving a major arctic prize, and zero otherwise. Also,

Efficiency measure #2 = (1 + Major geographic discovery)/Crew size

Efficiency measure #3 = (1 + Lesser but significant accomplishment)/Crew size.

These measures use crew size as a proxy for expedition cost. Each has a potential range of 0 to 2. Large expeditions that achieved little have low efficiency measures, whereas small expeditions that made achievements have high measures.

The mean value of the first efficiency measure for private expeditions is 0.137, compared to 0.024 for public expeditions. For the second efficiency measure, the mean value for private expeditions is 0.145 compared to 0.030 for public expeditions, and for the third efficiency measure, the mean value for private expeditions is 0.168, compared to 0.034. The differences are statistically significant at the 1% level for all three measures.

The finding that private expeditions made discoveries at significantly lower cost than public expeditions is not sensitive to the specific efficiency measure. For example, the results are qualitatively similar if I use vessel tonnage, crew member deaths, or ships lost as proxies for an expedition's cost. The results also are similar if I assign different values to "achievement." For example, if "Major arctic prize" in equation (1) is assigned a value of 2, or 10 (instead of one), for

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[12]My classification of such significant accomplishments admittedly is subjective. Any reasonable reclassification of the expeditions -- for example, excluding Back's navigation of the Back River or including Peary's 1891-92 trek to northern Greenland -- does not alter substantially the results in Panels D and E of Table 3.

expeditions achieving a major arctic prize, private expeditions' efficiency measures remain significantly higher than those for public expeditions.

Thus, as shown in Panel D, private expeditions recorded most of the major prizes of arctic exploration. When the definition of arctic achievement is expanded to include major geographic discoveries or other lesser-known but important discoveries, public and private expeditions achieved successes at roughly equal rates. As shown in Panel E, however, private expeditions made discoveries at significantly lower cost than public expeditions.

VI. Determinants of expedition failure and success

VI.A. Determinants of crew member deaths and death rates

The univariate comparisons reported in section V do not control for numerous factors that conceivably contribute to expedition success or failure. In this section I report on multivariate tests that seek to control for the time period, nation of origin, goals, and other expedition characteristics. Table 4 reports on the determinants of crew member deaths and death rates. The number of deaths is highly skewed, so my first measure is the natural log of one plus the number of crew members who died. At least one death occurred on 39 of the 89 expeditions on which I have sufficient data. On the other 50 expeditions, all crew members survived. Because of the large number of cases for which the number of deaths is zero, I use a Tobit censored regression model.

The independent variables include the following:

- PRIVATE is a dummy variable set equal to one for expeditions that were initiated and funded primarily through private sources.
- BRITAIN and USA are dummy variables indicating whether the expedition was from Great Britain or the United States, respectively. Expeditions from continental Europe are reflected in the constant term.
- NORTHWEST PASSAGE, FRANKLIN SEARCH, and NORTH POLE are dummy variables indicating the expedition's main objective. The 10 expeditions in the sample that had other primary objectives (e.g., Greenland) are reflected in the constant term.
- Finally, I include dummy variables representing the decade in which the expedition began. Separate dummies are defined for expeditions in the 1820's, 1830's, 1840's, continuing to the

1900's. The four expeditions initiated in 1818 and 1819 are reflected in the constant term.

The results are reported as Model 1 in Table 4. The coefficient for PRIVATE is -1.39 with a t-statistic of -3.28, and is statistically significant at the 1% level. Thus, private expeditions experienced significantly fewer deaths than public expeditions, even after controlling for the nation of origin, objective, and time period.

None of the other reported coefficients are significantly different from zero. The coefficients for BRITAIN and USA indicate that the number of deaths is not significantly related to nationality of origin. The number of deaths also is not significantly related to whether the expedition's objective was the Northwest Passage, the search for Franklin, or the North Pole. Although not reported in the table, the coefficient for the 1840's dummy variable is positive and significant at the 5% level, reflecting largely the influence of the 1845 Franklin tragedy.[13]

Model 2 in Panel A includes four additional regressors that characterize the expedition's mode of travel, leader's experience, and crew size:

- LAND is a dummy variable set equal to one for each of the 24 expeditions that relied primarily upon land-based exploration.
- BALLOON is set equal to one for each of the four (two each by Salomon Andree and Walter Wellman) that sought to reach the North Pole by helium balloon. If land-based or balloon exploration attempts pose fundamentally different risk than ship-based travel, these variables could be related to the number of deaths.
- EXPERIENCE is equal to the number of previous polar expeditions on which the expedition leader served.
- CREW is the number of crew members. The number of deaths quite plausibly is related to the number of people that embark on the expedition.

As reported in Model 2, the coefficient for LAND is -1.03 with a t-statistic of -1.82, indicating that land-based expeditions had fewer deaths than ship-based ones. The other three additional variables are not significantly related to the number of deaths. The coefficient for PRIVATE is

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[13]Although its 129 deaths far exceed that of any other expedition, the results reported here are not sensitive to the inclusion to the 1845 Franklin tragedy. When this expedition is excluded, the coefficient for PRIVATE (and t-statistic) becomes -1.22 (-2.98) in Model 1, -1.01 (-2.14) in Model 2, and -0.86 (-2.05) in Model 3 of Table 4. The results also are not sensitive to the inclusion of alternate control variables. For example, the coefficient for a measure of capital intensity (equal to vessel tonnage divided by crew size) is not statistically significant, and its inclusion does not substantially affect the coefficient for PRIVATE.

reduced to -1.091, but remains statistically significant at the 5% level. (As reported in Section III, crew sizes are relatively large for public expeditions. Because of this, the inclusion of CREW decreases the coefficient and t-statistic for PRIVATE in all of the model specifications examined.)

One additional factor that may have affected crew member deaths is the size of the expedition's supporting budget. Expedition leaders allocated scarce budgets among many items, including food, equipment, support staff, and travel. In doing so, they traded off safety against expedition amenities and the probability of success. It is reasonable to expect that leaders with less constrained budgets were able to purchase more amenities, success, and safety. Thus, well-funded expeditions should have relatively few deaths.

I do not have budget information on any but a small number of expeditions. One proxy for expedition funding on which data are available, however, is the crew size. Extra crew required extra food, clothing, space, and supplies, so budget-constrained expeditions were unlikely to have large crews. Model 3 in Table 4 reports the results of a Tobit regression model in which observations are weighted by CREW. To the extent that CREW correlates with the expedition budget, the weighted model controls for the additional safety afforded well-funded expeditions. The procedure weights relatively heavily any crew deaths from well-funded expeditions.

The coefficient for PRIVATE in Model 3 is similar to that in Model 2. Coefficients for USA and Franklin search expeditions, however, become significant at the 10% level, while that for land-based expeditions becomes statistically insignificant. In addition, coefficients for the 1840's, 1850's, 1870's and 1880's, while unreported, become positive and statistically significant at the 5% level. In effect, the weighted regression emphasizes the deaths from several large (and presumably well-funded) expeditions in the middle part of the 19th century, particularly those searching for Franklin.

Models 4 - 6 of Table 4 report on three Tobit regressions in which the dependent variable is the death rate, defined as the fraction of the crew members who died while on the expedition. This measure places less emphasis on the Franklin tragedy than the log of the number of deaths. It places greater emphasis on smaller expeditions in which at least one crew member died. For example, the 100% death rate for the 129-man (public) Franklin expedition in 1845 has the same value for the dependent variable as the 100% death rate for the 3-man (private) Andree expedition

in 1897.[14]

As reported in Model 4, the survivor rate is negatively and significantly related to PRIVATE. The coefficient implies that, holding other factors constant, private expeditions had a 21% lower death rate than public expeditions. The coefficient for the Northwest Passage dummy variable is positive and significant at the 10% level (as is the 1840's decade dummy variable), reflecting in part the Franklin tragedy.

The coefficients for all of these variables decline slightly in Model 5, in which the EXPERIENCE, BALLOON, LAND, and CREW variables are included. None of the added variables is significantly related to the crew member death rate.

Model 6 reports the results in which the observations are weighted by the size of CREW, thereby placing greater emphasis on larger, better-funded expedition death rates. The coefficient of -0.13 indicates that, controlling for the other regressors, crew members on privately-funded expeditions had a 13-percentage point higher likelihood of staying alive than those on publicly-funded expeditions.

Using a similar interpretation for other statistically significant regressors, crew members on U.S. expeditions had a 18% higher probability of death than crew members on European expeditions (since non-British European expeditions are reflected in the constant term), and those involved with the Franklin search had a 64% lower probability of death than those with "other" objectives (which are reflected in the constant term). Both of these results, however, depend upon the inclusion of decade fixed effects. The coefficients for the 1840's and 1850's dummy variables are 0.89 and 0.81, respectively, and both are statistically significant at the 1% level. The 1840's coefficient reflects in part the Franklin disaster, and most expeditions during the 1850's were British searches for Franklin. Omitting the decade fixed effects, both the USA and FRANKLIN SEARCH coefficients are statistically insignificant. Hence, the results in Model 6 indicate that, among expeditions *after* the 1850's, crew members on U.S. expeditions faced high likelihood of death and those searching for Franklin faced a low likelihood of death.

Overall, the results in Table 4 indicate that both the numbers and rates of crew member

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[14]Salomon Andree attempted to float to the North Pole in a helium balloon. All three crew members, including Andree, disappeared and were never seen alive again after their balloon left Spitsbergen. The mystery was resolved in 1930 when Andree's remains and journal were discovered on White Island near Spitsbergen. The crew survived the balloon's crash, but died during their attempt to reach civilization.

deaths are significantly lower for private than for public expeditions. Expeditions during the 1840's and 1850's had unusually high death numbers and rates, although the 1840's results reflect in part the 1845 Franklin tragedy. For expeditions outside these two decades, expeditions originating in the U.S. had greater numbers of deaths and death rates.

VI.B. Ships and vessel tonnage lost

Table 5 reports on multivariate tests of the determinants of lost vessel tonnage. Of the 63 expeditions based from ships, 20 lost at least one ship. The sizes of the ships lost vary from 66 to 1082 tons, and the distribution of lost vessel tonnage is skewed. In models 1 - 3 the dependent variable is defined as the natural log of one plus the lost vessel tonnage.

Including all nine decade dummy variables causes multicollinearity problems that prevent the computation of standard errors. I therefore replace the decade dummy variables with a single dummy variable set equal to one for pre-1860 expeditions. The results from Model 1 indicate that lost vessel tonnage is not significantly related to the PRE-1860 dummy, the nation of origin, or the expedition objective. It is negatively related, however, to whether the expedition was primarily privately funded: the coefficient for PRIVATE is -5.41 with a t-statistic of -2.25.

Model 2 includes the EXPERIENCE variable and TONNAGE, which is the total tonnage of all ships deployed on the expedition. TONNAGE reflects both the expedition size and the tonnage that potentially could have been lost. (The LAND and BALLOON variables are omitted because all 63 expeditions included in this regression are ship-based.) In Model 3, observations are weighted by TONNAGE, which serves as a proxy for the expedition's cost. The effect is to weight more heavily any vessel tonnage lost by relatively expensive, and presumably better equipped, expeditions. (The results are virtually unaffected when CREW is used in place of TONNAGE to measure the expedition size or to weight the observations.) The results from Models 2 and 3 are virtually identical to those from Model 1: only PRIVATE is significantly related to the vessel tonnage lost.

The dependent variable in models 4 - 6 of Table 5 is the ratio of vessel tonnage lost to that deployed on the expedition. As before, Models 4 and 5 are unweighted, and in Model 6 observations are weighted by vessel tonnage. (Results using the fraction of ships lost, without regard to the ships' sizes, are similar to those reported.) The coefficient for PRIVATE is negative

in all three regressions, but its t-statistics are lower than in Models 1 - 3, ranging from -1.57 to -1.75. Only in Model 6 is the coefficient statistically significant at the 10% level. The results therefore are consistent with the univariate comparisons: controlling for the nation of origin, objectives, timing, and size, public expeditions lost more and larger ships than private expeditions. Public expeditions also lost a higher fraction of ships and vessel tonnage deployed, although the PRIVATE coefficient is only marginally significant at conventional levels using a two-tailed hypothesis test.

VI.C. Scurvy

Table 6 reports on logistic regressions that examine the determinants of crew health on the 68 expeditions in the sample that lasted longer than one year. In each regression, the dependent variable is set equal to one if the expedition had scurvy problems, and zero otherwise. Models 1 and 2 include only the 39 expeditions for which the presence or absence of scurvy is known. Models 3 and 4 report results for these 39 expeditions plus the 29 additional expeditions for which I infer that scurvy was not a problem. When all nine decade dummy variables are included, multicollinearity among the independent variables prevents computation of standard errors, so I include only the single dummy variable (PRE-1860) to control for the timing of the expedition. For similar reasons, I exclude the USA, NORTHWEST PASSAGE, and NORTH POLE dummies.

In Models 1 and 3, the incidence of scurvy is negatively related to PRIVATE, and the coefficient is statistically significant in Model 1. The coefficient for the PRE-1860 dummy is positive and statistically significant at the 5% level, indicating that scurvy was more prevalent on public than private expeditions and on expeditions before 1860.

Models 2 and 4 include EXPERIENCE and CREW as explanatory variables. In both models the CREW coefficient is positive, and it is significant at the 10% level in Model 4. The coefficient on PRIVATE, however, becomes statistically insignificant. Furthermore, the coefficient for PRIVATE is sensitive to slight changes in model specification. For example, when I include an interaction term involving PRIVATE and PRE-1860 in Models 2 and 4, the PRIVATE coefficient becomes negative and significant at the 1% level. Thus, while scurvy was more prevalent on public expeditions, the incidence of scurvy is not consistently and significantly

related to PRIVATE when I control for such other factors as crew size and the expedition's date.

VI.D. Expedition achievement efficiency

Table 7 reports the results of ordinary least squares regressions that investigate the causes of achievement efficiency. The dependent variable in the first regression is the first efficiency measure as defined in equation (1) in section V.E. The second and third efficiency measures are the dependent variables in the second and third regressions. For all three efficiency measures, the coefficients for PRIVATE are positive and statistically significant at the 1% level, indicating that private expeditions achieved arctic discoveries at significantly lower cost than public expeditions. The positive coefficient for LAND indicates that land-based expeditions also were relatively efficient. Expeditions from the United States, holding other factors constant, were relatively inefficient.

VII. Reasons private expeditions were more successful

Both univariate comparisons and multivariate tests indicate that, despite greater funding, public expeditions achieved fewer major arctic prizes, suffered greater losses, and overall performed more poorly than private expeditions. Case histories indicate that the performance differences are not mere coincidence. Rather, they result from the ways expeditions were organized. In particular, compared to private expeditions, public expeditions exhibited (i) relatively unmotivated and unprepared leaders, (ii) poor leadership structures, and (iii) poor ability to adapt to new information.

VII.A. Leaders' motives and preparation

Evidence reported in Tables 4 - 7 indicate that EXPERIENCE, which is the leader's number of previous previous polar expeditions, is not significantly related to death rates, ship losses, the incidence of scurvy, or achievement efficiency. Case histories, however, indicate that most private expeditions were organized by men who had strong personal interests in arctic exploration, regardless of their previous experience. Roald Amundsen, for example, spent several years training for cold weather travel. To avoid possible conflicts from a divided leadership, he earned a skipper's license so he would not have to rely upon a hired ship's captain for his 1903-06

expedition. Thus, by any reasonable measure he was much better prepared than almost any public expedition leader, even though he had no previous arctic exploratory experience.

Even less prepared private leaders had a passion for high latitudes. Kane's writing reflects an almost religious attitude toward the arctic. Charles Francis Hall was so driven to explore that he sold his business, abandoned his wife and family, and spent ten of his last 13 years in the arctic.

Many leaders of government expeditions, in contrast, had little direct knowledge of or interest in arctic exploration. George Nares, leader of a 1875-76 British Naval North Pole expedition, considered the arctic a "wretched place." He went north not because of any particular interest in the job, but rather, because he had been appointed and he sought promotion (Berton 1986, p. 420). Edward Belcher, leader of a 1852-54 search for Franklin, was so panicked to return to England after two arctic winters that he ordered the abandonment of four undamaged ships that were stuck in ice. One of his abandoned ships was discovered by whalers the following year, floating unharmed in Baffin Bay.

As another example, Berton (1988, p. 65) notes that Franklin was chosen for his initial arctic leadership position in 1819 in part "because he came from a well-placed family. . . . He had no canoeing experience, no hunting experience, no back-packing experience. . . .", all qualities that would have proved useful for his land-based journey, on which 11 of 25 crew members died.

I report these examples because they illustrate a general tendency evident in the case histories of arctic expeditions: private expeditions leaders had specialized knowledge about, or at least an interest in, arctic exploration. Many leaders of government-sponsored expeditions, in contrast, displayed little such knowledge and interest. I infer that the private leaders' interest and knowledge contributed to their successes.

VII.B. Leadership structure

Fama and Jensen (1983) argue that managers in successful modern corporations initiate *and* implement plans of action. In my sample, however, the persons initiating and organizing public expeditions actually led them only 26.5% of the time. For private expeditions, in contrast, the percentage is 78.2%. (This difference in proportions is statistically significant at the 1% level.) Thus, I infer that public expeditions performed poorly partly because the people who lobbied for

and initiated them frequently did not also implement them.[15]

Because they did not actually go on the trip, the organizers of public expeditions faced few of the negative consequences of poor planning or erroneous theories. The man behind the 1845 Franklin expedition, Sir John Barrow, for example, directed Franklin to pursue a sailing course that, we now know, is covered mostly by land and ice. If that course proved impassible, Barrow directed Franklin to sail north into a fictitious "Open Polar Sea," which was thought to be unencumbered by ice. Private whalers had advised Barrow that there most likely was no such thing as an "Open Polar Sea." Since Barrow initiated but did not actually undertake arctic expeditions, he had less direct knowledge of the arctic than did the whalers whom he disregarded. He also bore relatively few of the costs of his misguided directions.

The negative consequences of separating the initiation and implementation functions are illustrated by the Nares expedition of 1875-76. George Nares, a British Navy officer, was appointed to lead this expedition after Sir Clements Markham, an honorary secretary of the Royal Geographical Society, and Sherard Osborn, a rear admiral in the British Navy, convinced the British government to fund one more North Pole attempt. Markham, Osborn, and other experts planned the expedition. They ignored evidence about the usefulness of snowshoes, snow houses, light traveling sledges, and native clothing, and downplayed the risk of scurvy. Upon arriving in the arctic and watching his crew become incapacitated from the combination of heavy sledge hauling and scurvy, Nares wrote bitterly about the lack of preparation and information he had been given.

The problem of separating the initiation and implementation functions also is illustrated by the Greely disaster of 1881-84. When relief ships did not reach his quarters at Fort Conger in northern Ellesmere Island, Greely abandoned the safety of Fort Conger and moved his men south, seeking to meet a relief ship before the onset of winter. The subsequent deaths of most of his crew prompted criticism, most notably from Robert Peary, who noted that Fort Conger was well-stocked with supplies and located in an area rich with game. Greely, of course, was just following

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[15]To examine the importance of separating the initiation and leadership functions, I conducted all tests reported in Tables 4-7 after replacing PRIVATE with a dummy variable (INITIATE) that equals one if the expedition was initiated by the leader. The empirical results are similar to those reported, although in some cases the t-statistics are insignificant. When both PRIVATE and INITIATE are included, the coefficients for PRIVATE generally have higher t-statistics than those for INITIATE. When I replace PRIVATE with a variable that equals one if the expedition was privately funded *or* initiated by the leader, the results also are similar to those reported.

orders.

VII.C. Adaptation and learning

The official logs, unofficial exposes, and popular descriptions that followed most expeditions provided valuable information to subsequent explorers not only about the physical locations of various land masses, but also about the techniques that facilitated success. Private and public expeditions, however, displayed notably different tendencies in the adoption and use of new information about survival and success at high latitudes.

1. Clothing. British arctic explorers in the early 19th century wore tight-fitting woolen uniforms. Late in the century, British and American public expeditions led by Nares and Greely still were outfitted with woolen clothing. Tight wool clothes cause people to sweat during the day and are stiff and cold when first put on. Amundsen noted that, "in woolen things you have to jump and dance about like a madman before you can get warm" (Berton 1988, p. 540).

Private explorers, including William Kennedy, Elisha Kent Kane, and Robert Peary, were more likely to adopt Native clothing. Inuit parkas consisted of loose-fitting doubled layers of sealskin or other hide, one fur side facing in and another facing out, with attached hoods that protected against heat loss from the neck and face. The loose hide clothing provided an insulating layer of air and prevented body perspiration from condensing against the skin. Beginning with Charles Hall in 1860 and continuing with Robert Peary in 1909, many private explorers adopted an Inuit practice of shedding their outer clothing and sleeping in snow houses under communal hide blankets. Sleeping next to each other enabled them to, in Rae's words, "communicate the heat from one body to another" (Berton 1988, p. 417).

2. Shelter. Rae, Kennedy, Amundsen, and Peary all learned from Inuit Natives to use snow for shelter. A skilled traveller, Rae claimed, could construct a snow house large enough for five men within one hour. The snow house could be used again on the return journey, and was warmer than the canvass tents most explorers carried. As Rae noted, "When you use snow as a shelter your breath instead of condensing on your bedding gets condensed on the walls of the snow house, and therefore your bedding is relieved from nearly the whole of this" (Berton 1988, p. 415).

All of the expeditions in my sample that used snow houses extensively were privately

organized and funded. The others relied on canvass tents and cloth sleeping bags, which would freeze stiff with condensed water vapor. Sledging crew members used their own body heat to thaw themselves into frozen sleeping bags at night. An additional problem was that the tents and sleeping bags were heavy. Berton (1988, p. 418), estimates that on the Nares expedition each man on a sledging team pulled basic gear totalling 80 pounds, twice the basic weight hauled by Rae a generation earlier. Greely (1886, p. 306) reports that his crew hauled one sledge that weighed 217 pounds per man, much of it basic gear. They called the sledge "Nares."

3. Modes of overland travel. By the 1850's Rae and Kennedy had demonstrated the efficacy of dogsled travel over polar ice and snow. Isaac Hayes converted to the use of dogsleds following a harrowing experience during the Elisha Kent Kane expedition of 1853-55. Hayes and several others were easily overtaken while attempting to escape from a group of hostile Natives who were using dogsleds. Hayes used dogs on his subsequent 1860-61 expedition. Other explorers used skis and snowshoes to facilitate overland travel. Skis enabled Nansen to successfully cross Greenland in 1888-89. Amundsen learned dogsled handling techniques during layovers on his 1903-06 navigation of the Northwest Passage, a skill that would enable him to breeze to victory in the 1911 race to the South Pole.

A disproportionate number of public expeditions, in contrast, never used dogsleds, skis, or snowshoes, or used them ineffectually. John Rae persuaded a reluctant friend to take snowshoes with him during the (public) 1875 Nares expedition. "When the snowshoes were brought on board, there 'was a shout of laughter and derision from the gallant but very inexperienced officers.'" Nares' sledge crews wore themselves out plowing through hip-deep snow, while Rae's friend had "many a long and pleasant walk." Without his snowshoes, "I should not have gone half a mile from the ship without much discomfort and labour" (Berton 1988, p. 415).

Even when private explorers did not use dogs and hauled their own sledges, they had greater success with their sledge designs. The sledges used by British Naval expeditions were so large and cumbersome that they required ten to twelve men to pull. They got stuck in heavy snow and did not travel easily over ice hummocks. Rae, in contrast, designed a light sledge with three runners that sank less than 3/4 inch in snow and did not nose-dive into the snow when descending hummocks (Berton 1988, pp. 415-6). Nansen devised a thin sledge for his 1888-89 Greenland expedition that tracked easily behind his skis and snowshoes (Maxtone-Graham 1988,

pp. 107-26).[16]

4. Party size. Early in the 19th century, numerous observers suggested that small parties were better able than large parties to move quickly and support themselves in the arctic. Perhaps because they were less well-funded, private explorers immediately put this idea to work. Governments, in contrast, continued to mount large expeditions up until 1875.

One advantage of smaller size was illustrated by John Ross from 1829-33. Rebuffed when he proposed an expedition to the British Admiralty, Ross organized his own private venture using funds donated by Felix Booth, a wealthy distiller of gin. Ross' ship was crushed by ice, but his party was able to survive for four years before being rescued partly because it was small enough to live off the land and receive support from nearby Inuit natives. (Ross also benefited from provisions left by Parry's 1824-25 expedition.) Despite this experience, the British government outfitted the 1845 Franklin expedition with 129 (originally 134) men. Berton (1988, pp. 336-9) argues that one reason Inuit Natives did not help Franklin's starving crew is that there simply were too many of them to feed.

By 1850, Peter Dease, Thomas Simpson, and John Rae had demonstrated the superior overland capabilities of small parties. Dease and Simpson nearly completed the Canadian coastline map during 1837-39 with a party of six. Rae covered 1060 overland miles in 1851 traveling with only 2 other men. Smaller parties also fared well on ship-based expeditions. In 1852, William Kennedy left most of his 16 crew on board and used dogsleds to cover 1265 overland miles in 95 days, outdistancing the later achievements of Francis M'Clintock, the so-called "Father of (man-hauled) arctic sledging." Later explorers, including Frederick Schwatka in 1878 and Robert Peary in 1892, intentionally mimicked these expeditions by choosing traveling parties of two to five men.

Government-sponsored expeditions, in contrast, deployed large crews up through the 1875 Nares expedition, which used 122 men. Crew sizes decrease over my sample period, but the differences between public and private expeditions are statistically significant even controlling for the time period. For example, in an ordinary least squares regression using crew size as the

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[16]Explaining the British Navy's adherence to man-hauled sledges, Robert F. Scott told the International Geographic Congress in 1899 that using dogs "is a very cruel system." Nansen replied, "[B]ut it is also cruel to overload a human being with work" (Imbert 1992, p. 80).

dependent variable, the coefficients for both PRIVATE and a time trend term are negative and statistically significant.

5. Diet and crew health. As reported in section V.C, more public than private expeditions had scurvy problems (although the results in VI.C suggest that this difference may be attributable to other factors in a multivariate test). As examples, private expeditions by Peter Dease and Thomas Simpson (1837-39), John Rae (1846-47), and Charles Francis Hall (1860-62) were free of scurvy. At roughly the same times, the government-sponsored expeditions of George Back (1836-37), James Clark Ross (1848-49), and Henry Kellett (1852-54) faced debilitating scurvy problems.

The key difference was that private expeditions relied heavily upon fresh meat, which is rich in vitamin C. Many public expeditions relied on salt meat, which has little vitamin C. Many explorers used lemon juice as a source of vitamin C, but typically in insufficient quantities to prevent scurvy.

Once again, the problem was not a lack of information about the importance of fresh meat or vegetables. Scurvy, and ways to prevent it, had been known for centuries. The East India Company, for example, had used lemon juice to prevent scurvy on its ships since 1601 (see Gurney 1997, p. 40). John Ross testified about the importance of fresh meat after his 1929-33 expedition. A meddlesome explorer named Richard King had criticized the British government for its expeditions' inadequate diets *before* the 1845 Franklin disaster. Rather, the problem was that organizers of public expeditions were slow to recognize and use this information. Public criticism of the British government's expeditions became most pronounced after the 1875-76 Nares expedition, which experienced crippling effects from scurvy. When the British government conducted a public inquiry into the expedition's failures, Nares argued that he had been poorly served by misinformation in the accounts of previous government-sponsored expeditions: "I am certain that what is reported in the official papers as being an attack of debility was most decidedly the same as our attack by a more advanced form of scurvy..." (Berton 1988, p. 431).

6. The Open Polar Sea. Some 19th Century geographers promoted a theory that a temperate, ice-free ocean lay beyond the ice that stopped previous expeditions. This view influenced many private expedition leaders, including Elisha Kent Kane in 1853, Isaac Hayes in 1860, and Karl Koldeway in 1869. Public expedition organizers, however, seemed particularly

wedded to this flawed theory, possibly because it helped justify their designs for large and expensive ship-based expeditions. As far back as 1817, William Scoresby, a renown whaler, advised the British Admiralty that the Open Polar Sea was a myth. The Admiralty nevertheless continued to espouse the theory and send large ships into the arctic ice pack.

The Open Polar Sea was not a uniquely British delusion. Austrian geographer August Petermann theorized that the warm Gulf Stream opened the seas between Greenland and Siberia: "I have no doubt that a sturdy steamship could, in the appropriate season, complete the trip from the Thames to the North Pole and back - or to some land around the Bering Strait - in two or three months" (Holland 1994b, p. 52). Petermann's ideas influenced a 1872 Austrian government expedition led by Karl Weyprecht, which lost its ship after discovering Franz Josef Land.

7. Organizational structure. By its nature, exploration requires frequent adjustment by many crew members to new information and changing circumstances. Fama and Jensen (1983) argue that partnerships and other non-hierarchical organizations are well-suited to such situations. Private expedition leaders appear to have adopted non-hierarchical organizations more frequently that public expedition leaders. Rae, Kennedy, Nansen, and Amundsen, for example, all solicited and used information from their crew, delegated some decision authority to their men, and participated in menial tasks. This is in contrast to the strict hierarchical structures maintained on many government expeditions, including those by Collinson, Belcher, Greely, and Nares.

VI.D. Other possible explanations

It is possible that public expeditions lost many crew members and ships because they assumed greater risks. If so, public expeditions should have achieved a disproportionate share of arctic discoveries as well as a large share of the tragedies. The evidence in Panel D of Table 3, however, indicates that public expeditions achieved arctic discoveries at no greater rate than private expeditions. Thus, it is unlikely that public expeditions' losses result from greater risk-bearing.

Another possibility is that governments funded expeditions with low expected returns, leaving high-return expeditions to private initiative. This could explain private expeditions' success at the major arctic prizes and their efficiency at arctic discoveries in general. However, there is nothing in the histories of these expeditions to support this conjecture. The British

Admiralty did not intentionally look for Franklin in all the wrong places during its 1847-54 searches. North Pole expeditions led by Nares in 1875 and Greely in 1881, funded by the British and U.S. governments, were designed to take advantage of previous discoveries by the private expeditions led by Kane (1853-55), Hayes (1860-61), and Hall (1871-73). That is, the Nares and Greely expeditions attracted public support largely because they had *high*, not low, expected returns.

The conjecture that public expeditions achieved little because they had low expected returns also is inconsistent with their large losses in lives and ships. Even if the expeditions were not expected to make significant discoveries, the loss of life and ship undermined careers and public support for future arctic expenditures (as argued in section IV).

Thus, the conclusion that is consistent with all the evidence presented here -- regarding deaths, ship losses, scurvy, and expedition achievement and efficiency -- is that public expeditions tended to be poorly organized and executed relative to private expeditions. In particular, public expeditions had poorly motivated and prepared leaders, used suboptimal leadership structures, and adapted slowly to new information.

VIII. Conclusions

In this paper I use historical data on arctic exploration to examine the relative efficiencies of public and private initiative, support, and control. Anecdotal evidence suggests that privately-funded expeditions achieved a disproportionate share of the major arctic prizes, while publicly-funded expeditions constitute the greatest tragedies. This conclusion is broadly supported by more systematic evidence from 35 public and 56 private arctic expeditions from 1818 through 1909. In particular, I find that:

• Public expeditions were relatively well funded and large, deploying an average of 69.7 crew members per expedition, compared to 16.2 for private expeditions. Among those based on ships, public expeditions deployed 1.63 ships representing 596 vessel tons, on average, compared to 1.15 ships and 277 vessel tons for private expeditions.

• Public expeditions experienced more deaths and a higher rate of deaths than private expeditions. On average, 5.9 men died on public expeditions, with an average death rate of 8.9%, compared to 0.9 men, or a 6.2% rate, for private expeditions. The differences in deaths and death

rates are statistically significant and remain so in multivariate tests that control for the expedition's size, timing, nation of origin, objectives, and leader's experience.

• Public expeditions lost and destroyed more and larger ships than private expeditions. On average, public expeditions lost 0.53 ships per expedition, representing 198 tons, compared to 0.24 ships representing 60 tons for private expeditions. The difference is partly but not wholly because public expeditions deployed more and larger ships.

• Nearly one-half (46.7%) of all public expeditions lasting longer than one year had significant health problems as indicated by advanced symptoms of scurvy, compared to 13.2% for private expeditions. In multivariate tests, however, the incidence of scurvy is not consistently related to an expedition's source of funding.

• Private expeditions achieved most of the major arctic prizes, including the initial navigation of the Northwest Passage and the first claim to the North Pole. Public and private expeditions achieved a broader set of less significant arctic geographic discoveries at roughly equal rates, although private expeditions achieved their discoveries at significantly lower cost (as measured by crew size or vessel tonnage).

I also find evidence that death rates were relatively high for expeditions seeking the Northwest Passage (due in part to the 1845 Franklin tragedy), that scurvy was a problem particularly before 1860, and that U.S. expeditions were relatively inefficient in achieving arctic discoveries. Overall, however, the most persistent influence on success and failure is whether the expedition was publicly or privately funded. A closer analysis of the expeditions' characteristics suggests that there is nothing magical about the source of funding. Rather, publicly funded expeditions tended to have three specific handicaps: they deployed poorly motivated and prepared leaders, they separated the initiation and implementation functions of leadership, and they adapted slowly to important innovations regarding clothing, diet, shelter, modes of arctic travel, organizational structure, and optimal party size. That is, men died and ships were lost not because of the public nature of the funding *per se*, but rather, because of the perverse incentives, slow adaptation, and ineffective organizational structures that frequently accompanied public funding.

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[17]Additional sources of data used in the empirical tests are listed in Appendix 2.

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The following sources each provided at least one datum used in the empirical tests.

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Table 1
Description of the sample of arctic explorations, 1818-1909

Breakdown of the sample of 91 arctic expeditions from 1818 - 1909 by nationality, objectives, primary source of funding, and primary mode of travel. "Continental Europe" includes expeditions from Austria, Germany, Denmark, Italy, Norway, Russia, and Sweden. The data are collected from sources listed in the references and Appendix 2.

Decade beginning:	1810	1820	1830	1840	1850	1860	1870	1880	1890
Panel A: Nationality of origin									
Great Britain	4	7	3	8	17	0	6	2	0
United States	0	0	0	0	2	3	3	4	5
Continental Europe	0	0	0	0	0	3	3	2	5
Panel B: Primary exploration objective									
Northwest Passage	3	6	3	2	0	0	1	0	0
Search for Franklin	0	0	0	6	19	2	1	0	0
North Pole	1	1	0	0	0	4	9	6	7
Other	0	0	0	0	0	0	1	2	3
Panel C: Primary source of funding									
Public	4	6	1	6	9	0	4	2	1
Private	0	1	2	2	10	6	8	6	9
Panel D: Primary mode of travel									
Ship	3	6	1	5	16	4	11	4	4
Land	1	1	2	3	3	2	1	4	4
Balloon	0	0	0	0	0	0	0	0	2
Total expeditions	**4**	**7**	**3**	**8**	**19**	**6**	**12**	**8**	**10**

Table 2
Expedition characteristics

Comparisons of expedition characteristics: the number of ships deployed, total gross tonnage of the vessels deployed, crew size, and the number of previous polar expeditions on which the leader served. Data are collected from sources listed in the references and Appendix 2. The far right-hand column reports the t-statistic for the difference in means between public and private expeditions, and (in parentheses) the Wilcoxon signed-rank z-statistic.

		All Expeditions	Publicly-funded Expeditions	Privately-funded Expeditions	Difference in means: t-statistic (Wilcoxon z-statistic)
Number of ships	mean	1.38	1.63	1.15	3.31[c]
(for ship-based expeditions)	median	1	2	1	(3.25)[c]
	observations	63	30	33	
Vessel tonnage employed	mean	440.9	596.2	276.9	3.97[c]
(for ship-based expeditions)	median	400	528	225	(4.35)[c]
	observations	63	30	33	
Crew size	mean	37.2	69.7	16.2	6.89[c]
	median	24	61	16	(6.46)[c]
	observations	8935	54		
Leader's previous polar	mean	1.6	1.8	1.5	0.98
expedition experiences	median	1	1	1	(1.15)
	observations	91	35	56	

[c]indicates statistical significance at the 1% level using a two-tailed test.

Table 3
Expedition outcomes

Comparisons of the outcomes of 91 arctic expeditions, 1818-1909. Panel A reports on the number and percentage of crew members who died for 89 expeditions with available data. Panel B reports the number and percent of ships and vessel tonnage lost for 63 ship-based expeditions. Panel C reports on the incidence of scurvy for expeditions lasting longer than one year. Panel D reports on three successively broader measures of geographic achievement (each of which subsumes the previous measure). And Panel E reports on three measures of achievement efficiency, in which accomplishments are weighted by the inverse of crew size. Data are collected from sources listed in the references and Appendix 2. The far right-hand column reports the t-statistic for the difference in means between public and private expeditions, and (in parentheses) the Wilcoxon signed-rank z-statistic.

		All Expeditions	Publicly-funded Expeditions	Privately-funded Expeditions	t-statistic (Wilcoxon z-statistic)
Panel A: Crew member deaths					
Number of deaths	mean	2.88	5.89	0.93	1.34
	median	0	1	0	(3.22)[c]
Percent of crew who died	mean	7.24	8.93	6.15	0.65
	median	0	2.08	0	(1.76)[a]
Number of observations		89	35	54	
Panel B: Ships and vessel tonnage lost (ship-based expeditions only)					
Number of ships lost	mean	0.38	0.53	0.24	1.90[a]
	median	0	0	0	(1.59)
Percent of ships lost	mean	28.0	33.8	22.7	1.02
	median	0	0	0	(1.15)
Vessel tonnage lost	mean	125.5	197.9	59.7	2.32[b]
	median	0	0	0	(1.67)[a]
Percent of vessel tonnage lost	mean	28.3	34.9	22.3	1.15
	median	0	0	0	(1.18)
Number of observations		63	30	33	

Table 3 continued on following page

Table 3 - Continued
Expedition outcomes

		All Expeditions	Publicly-funded Expeditions	Privately-funded Expeditions	t-statistic (Wilcoxon z-statistic)
Panel C: Incidence of scurvy (for expeditions lasting more than one year)					
Scurvy status is known	mean (% of cases)	48.7	82.4	22.7	4.51[c]
	median	0	1	0	(3.94)[c]
Number of observations		39	17	22	
Scurvy status is known or inferred	mean (% of cases)	27.9	46.7	13.2	3.10[c]
	median	0	0	0	(3.33)[c]
Number of observations		68	30	38	
Panel D: Expedition accomplishments					
Major arctic prize	mean (% of cases)	6.6	2.9	8.9	1.27
	median	0	0	0	(1.13)
Major geographic claims	mean (% of cases)	19.8	20.0	19.6	-0.04
	median	0	0	0	(-0.04)
Lesser but significant accomplishments	mean (% of cases)	35.2	34.3	35.7	0.14
	median	0	0	0	(0.14)
Number of observations		91	35	56	
Panel E: Expedition accomplishment efficiency					
Major arctic prize	mean	0.092	0.024	0.137	4.93[c]
	median	0.042	0.017	0.071	(6.53)[c]
Major geographic claims	mean	0.100	0.030	0.145	4.82[c]
	median	0.050	0.019	0.082	(6.24)[c]
Lesser but significant accomplishments	mean	0.116	0.034	0.168	4.63[c]
	median	0.071	0.020	0.100	(6.02)[c]
Number of observations		91	35	56	

[a,b,c] indicate statistical significance at the 10%, 5%, and 1% level. respectively, using a two-tailed test.

Table 4
Determinants of crew member deaths and death rates

Tobit regression results using data from 91 arctic expeditions from 1818-1909. The dependent variable in Models 1-3 is the natural log of one plus the number of deaths. In Models 4-6 it is the percent of crew members who died on the expedition. Observations in Models 3 and 6 are weighted by the size of CREW, a proxy for the expedition budget. PRIVATE is a dummy variable equal to one for privately-funded expeditions. BRITAIN and USA reflect the country of origin, and NORTHWEST PASSAGE, FRANKLIN SEARCH, and NORTH POLE reflect the expedition objectives. LAND and BALLOON reflect the primary mode of travel. EXPERIENCE is the number of previous polar expeditions on which the leader served, and CREW is the number of crew members deployed on the expedition. Data are collected from sources listed in the references and Appendix 2. t-statistics are in parentheses.

	Dependent variable:					
	Ln (1 + # deaths)			Percent of crew members who died		
	Model 1	Model 2	Model 3 (weighted)	Model 4	Model 5	Model 6 (weighted)
PRIVATE	-1.39 (-3.28)[c]	-1.09 (-2.21)[b]	-1.01 (-2.33)[b]	-0.21 (-2.32)[b]	-0.20 (-1.91)[a]	-0.13 (-1.86)[a]
BRITAIN	-0.37 (-0.50)	-0.32 (-0.42)	0.40 (0.59)	-0.17 (-1.11)	-0.14 (-0.84)	-0.04 (-0.34)
USA	0.51 (0.93)	0.84 (1.42)	1.13 (1.80)[a]	0.05 (0.46)	0.12 (1.01)	0.18 (1.81)[a]
NORTHWEST PASSAGE	1.37 (1.39)	1.25 (1.29)	0.77 (0.73)	0.39 (1.87)[a]	0.35 (1.70)[a]	0.18 (1.00)
FRANKLIN SEARCH	-0.52 (-0.47)	-0.37 (-0.34)	-2.23 (-1.90)[a]	-0.06 (-0.24)	-0.09 (-0.40)	-0.64 (-3.23)[c]
NORTH POLE	-0.21 (-0.34)	-0.61 (-0.90)	-0.81 (-1.07)	0.03 (0.24)	-0.07 (-0.50)	-0.12 (-0.96)
LAND		-1.03 (-1.82)[a]	-0.32 (-0.56)		-0.13 (0.28)	0.03 (0.35)
BALLOON		-0.22 (-0.23)	-0.23 (-0.11)		0.24 (1.30)	0.17 (0.64)
EXPERIENCE		-0.01 (-0.11)	0.01 (0.11)		-0.00 (-0.13)	-0.00 (-0.40)
CREW (x 10^2)		0.36 (0.58)	0.42 (1.17)		0.01 (0.07)	0.03 (0.49)
Decade fixed effects	YES	YES	YES	YES	YES	YES
χ^2 p-value	22.3 0.10	28.1 0.08	55.2 0.00	19.2 0.20	22.7 0.25	71.3 0.00
Pseudo R^2	0.10	0.13	0.21	0.24	0.28	1.01

[a,b,c] indicate statistical significance at the 10%, 5%, and 1% level. respectively, using a two-tailed test.

Table 5
Determinants of vessel tonnage lost or destroyed

Tobit regression results using data from 63 ship-based arctic expeditions from 1818-1909. The dependent variable in Models 1-3 is the natural log of one plus the gross tonnage of lost or destroyed ships. In Models 4-6 it is the fraction of vessel tonnage deployed that was lost or destroyed. Observations in Models 3 and 6 are weighted by the size of TONNAGE, a proxy for the expedition budget. PRIVATE is a dummy variable equal to one for privately-funded expeditions. BRITAIN and USA reflect the country of origin, and NORTHWEST PASSAGE, FRANKLIN SEARCH, and NORTH POLE reflect the expedition objectives. EXPERIENCE is the number of previous polar expeditions on which the leader served, and TONNAGE is the gross vessel tonnage deployed. PRE-1860 is a dummy variable equal to one for pre-1860 expeditions. Data are collected from sources listed in the references and Appendix 2. t-statistics are in parentheses.

	Dependent variable:					
	Ln (1 + tonnage lost)			Percent of tonnage lost		
	Model 1	Model 2	Model 3 (weighted)	Model 4	Model 5	Model 6 (weighted)
PRIVATE	-5.41 (-2.25)[b]	-6.44 (-2.33)[b]	-8.13 (-2.54)[b]	-3.08 (-1.57)	-4.11 (-1.67)	-5.12 (-1.75)[a]
BRITAIN	-0.25 (-0.07)	0.00 (0.00)	-3.74 (-0.85)	0.91 (0.42)	1.25 (0.57)	-0.90 (-0.35)
USA	5.27 (1.59)	5.62 (1.66)	4.86 (1.27)	4.80 (1.65)	5.33 (1.70)[a]	4.91 (1.51)
NORTHWEST PASSAGE	2.86 (0.44)	2.12 (0.33)	3.15 (0.44)	1.02 (0.25)	0.55 (0.14)	0.59 (0.14)
FRANKLIN SEARCH	3.45 (0.51)	2.62 (0.39)	3.47 (0.47)	1.58 (0.37)	0.95 (0.23)	1.16 (0.27)
NORTH POLE	1.24 (0.27)	0.47 (0.10)	-2.82 (-0.67)	0.09 (0.03)	-0.45 (-0.16)	-2.60 (-0.95)
PRE-1860	-3.67 (-0.68)	-3.93 (-0.74)	-4.93 (-0.77)	-2.58 (-0.73)	-3.01 (-0.85)	-3.49 (-0.84)
EXPERIENCE		-0.07 (-0.11)	-0.03 (-0.04)		-0.18 (-0.46)	-0.16 (-0.46)
TONNAGE (x 10^2)		-0.31 (-0.78)	-0.52 (-1.51)		-0.24 (-0.89)	-0.32 (-1.29)
χ^2 p-value	8.6 0.29	9.3 0.41	13.0 0.16	8.9 0.26	10.2 0.33	13.7 0.14
Pseudo R^2	0.05	0.05	0.16	0.09	0.10	0.14

[a,b,c] indicate statistical significance at the 10%, 5%, and 1% level. respectively, using a two-tailed test.

Table 6
Determinants of the incidence of scurvy

Logistic regression results using data from 68 arctic expeditions lasting more than one year from 1818-1909. The dependent variable in Models 1 and 2 equals one for expeditions known to have had significant scurvy problems, and zero for expeditions known not to have such problems. In Models 3 and 4, the dependent variable is set equal to zero for 29 additional expeditions for which I infer scurvy was not a major problem. PRIVATE is a dummy variable equal to one for privately-funded expeditions. BRITAIN equals one for expeditions originating in Great Britain, and NORTHWEST PASSAGE equals one for expeditions seeking the Northwest Passage. EXPERIENCE is the number of previous polar expeditions on which the leader served, and CREW is the number of crew members deployed. PRE-1860 is a dummy variable equal to one for pre-1860 expeditions. Data are collected from sources listed in the references and Appendix 2. t-statistics are in parentheses.

	Expeditions included if:			
	Scurvy status is known		Scurvy status is known or inferred	
	Model 1	Model 2	Model 3	Model 4
PRIVATE	-2.62 (-2.48)[b]	1.38 (0.80)	-1.16 (-1.48)	-0.52 (-0.52)
BRITAIN	-0.37 (-0.625)	-5.09 (-0.45)	-0.94 (-0.96)	-1.01 (-0.67)
NORTHWEST PASSAGE	-1.04 (-0.93)	-0.87 (-0.59)	0.80 (1.00)	0.80 (0.96)
PRE-1860	3.83 (2.39)[b]	13.21 (0.97)	4.03 (2.40)[b]	3.76 (2.33)[b]
EXPERIENCE		0.07 (0.11)		0.06 (0.24)
CREW		0.19 (1.60)		0.02 (1.66)[a]
χ^2 p-value	25.3 0.00	41.9 0.00	30.9 0.00	33.6 0.00
Pseudo R^2	0.47	0.78	0.38	0.42

[a,b,c] indicate statistical significance at the 10%, 5%, and 1% level. respectively, using a two-tailed test.

Table 7
Determinants of expedition achievement efficiency

Ordinary least squares regression results using data from 89 arctic expeditions from 1818-1909. The dependent variable in each regression is (1 + ACHIEVEMENT)/CREW, where CREW is the number of crew members deployed on the expedition. In the first regression, ACHIEVEMENT equals one each of five expeditions achieving a major prize in arctic discovery. In the second regression it equals one for the 18 expeditions achieving either a major prize or other major geographic claim. In the third regression, it equals one for these 18 expeditions plus 14 others achieving lesser-known but significant discoveries. PRIVATE is a dummy variable equal to one for privately-funded expeditions. BRITAIN and USA reflect the country of origin, and NORTHWEST PASSAGE, FRANKLIN SEARCH, and NORTH POLE reflect the expedition objectives. LAND equals one for land-based expeditions. PRE-1860 is a dummy variable equal to one for pre-1860 expeditions. EXPERIENCE is the number of previous polar expeditions on which the leader served. Data are collected from sources listed in the references and Appendix 2. t-statistics are in parentheses.

	Dependent variable - efficiency measure based on:		
	Major arctic prize	Major geographic claim	Lesser but significant accomplishment
PRIVATE	.074 (3.08)[c]	.073 (2.99)[c]	.081 (2.88)[c]
BRITAIN	-.035 (-0.97)	-.051 (-1.37)	-.060 (-1.37)
USA	-.069 (-2.20)[b]	-.077 (-2.35)[b]	-.080 (-2.10)[b]
NORTHWEST PASSAGE	-.013 (-0.26)	-.012 (-0.24)	.049 (0.82)
FRANKLIN SEARCH	.034 (0.70)	.033 (0.65)	0.117 (1.99)
NORTH POLE	.000 (0.01)	.014 (0.37)	.026 (0.59)
LAND	.135 (5.39)[c]	.147 (5.63)[c]	.182 (5.95)[c]
PRE-1860	-.044 (-0.97)	-.035 (-0.75)	-.077 (-1.39)
EXPERIENCE	-.000 (-.07)	.004 (0.54)	.003 (0.38)
Constant	.061 (1.61)	.062 (1.55)	.046 (1.00)
F statistic p-value	7.93 0.00	7.93 0.00	8.71 0.00
Adjusted R^2	0.41	0.41	0.44

[a,b,c] indicate statistical significance at the 10%, 5%, and 1% level. respectively, using a two-tailed test.

Appendix 1: Arctic expeditions 1818-1909

(Abbreviation legend below)

Leader	Years	Nationality	Objective	Primary funding
Ross, John R.N.	1818	GB	nwp	gov
Buchan, David	1818	GB	np	gov
Parry, William Edward	1819-20	GB	nwp	gov
Franklin, John	1819-22	GB	nwp	gov
Parry, William Edward	1821-23	GB	nwp	gov
Lyon, George Francis	1824	GB	nwp	gov
Parry, William Edward	1824-25	GB	nwp	gov
Franklin, John	1825-27	GB	nwp	gov
Beechey, Frederick William	1825-28	GB	nwp	gov
Parry, William Edward	1827	GB	np	gov
Ross, John R.N.	1829-33	GB	nwp	pvt
Back, George	1833-5	GB	nwp	pvt
Back, George	1836-7	GB	nwp	gov
Dease, Peter and Thomas Simpson	1837-39	GB	nwp	pvt
Franklin, John	1845-47	GB	nwp	gov
Rae, John	1846-7	GB	nwp	pvt
Richardson, John	1847-49	GB	fs	gov
Ross, James Clark	1848-49	GB	fs	gov
Kellett, Henry	1848-50	GB	fs	gov
Shedden, Robert	1849	GB	fs	pvt
Saunders, James	1849-50	GB	fs	gov
Forsyth, Charles Codrington	1850	GB	fs	pvt
Austin, Horatio Thomas	1850-51	GB	fs	gov
Penny, William	1850-51	GB	fs	gov
Ross, John R.N.	1850-51	GB	fs	pvt
De Haven, Edwin J.	1850-51	USA	fs	pvt
Rae, John	1850-51	GB	fs	pvt
Collinson, Richard	1850-55	GB	fs	gov
McClure, Robert	1850-54	GB	fs	gov
Kennedy, William	1851-52	GB	fs	pvt
Inglefield, Edward A.	1852	GB	fs	pvt
Belcher, Edward	1852-54	GB	fs	gov
Kellet, Henry	1852-54	GB	fs	gov
Pullen, Wm John Samuel	1852-54	GB	fs	gov
Maguire, Robert	1852-54	GB	fs	gov
Inglefield, Edward A.	1853	GB	fs	gov
Rae, John	1853-54	GB	fs	pvt
Kane, Elisha Kent	1853-55	USA	fs	pvt
Anderson, James	1855	GB	fs	pvt
M'Clintock, Francis	1857-59	GB	fs	pvt
Hayes, Isaac	1860-61	USA	np	pvt
Hall, Charles Francis	1860-62	USA	fs	pvt
Hall, Charles Francis	1864-69	USA	fs	pvt
Nordenskiold, Adolf Erik	1868	SWE	np	pvt
Koldewey, Karl	1868	GER	np	pvt
Koldewey, Karl	1869-70	GER	np	pvt
Smith, Benjamin Leigh	1871	GB	np	pvt
Weyprecht, Karl	1871	AUS	np	pvt
Hall, Charles Francis	1871-73	USA	np	gov
Smith, Benjamin Leigh	1872	GB	np	pvt
Nordenskiold, Adolf Erik	1872-73	SWE	np	gov
Weyprecht, Karl	1872-74	AUS	np	gov
Smith, Benjamin Leigh	1873	GB	np	pvt

Leader	Years	Nationality	Objective	Primary funding
Young, Allen	1875	GB	nwp	pvt
Nares, George	1875-76	GB	np	gov
Young, Allen	1876	GB	oth	pvt
Schwatka, Frederick	1878-80	USA	fs	pvt
De Long, George Washington	1879-81	USA	np	pvt
Smith, Benjamin Leigh	1880	GB	np	pvt
Berry, Robert Mallory	1881-82	USA	np	gov
Smith, Benjamin Leigh	1881-82	GB	np	pvt
Greely, Adolphus	1881-84	USA	np	gov
Hovgaard, Andreas Peter	1882-83	DEN	np	pvt
Peary, Robert	1886	USA	oth	pvt
Gilder, William Henry	1886-87	USA	np	pvt
Nansen, Fridtjof	1888-89	NOR	oth	pvt
Peary, Robert	1891-92	USA	oth	pvt
Peary, Robert	1893-95	USA	oth	pvt
Nansen, Fridtjof/Otto Sverdrup	1893-96	NOR	np	gov
Wellman, Walter	1894	USA	np	pvt
Andree, Salomon August	1896	SWE	np	pvt
Andree, Salomon August	1897	SWE	np	pvt
Sverdrup, Otto	1898-02	NOR	oth	pvt
Wellman, Walter	1898-99	USA	np	pvt
Peary, Robert	1898-02	USA	np	pvt
Di Savoia, Luigi Amedeo, Duke of Ab	1899-00	ITA	np	pvt
Bauendalh, Oskar	1900-01	GER	np	pvt
Toll', Eduard Vasil'yevich	1900-03	RUS	oth	gov
Baldwin, Evelyn	1901-02	USA	np	pvt
Mylius-Erichsen, Ludvig	1902-04	DEN	oth	pvt
Fiala, Anthony	1903-05	USA	np	pvt
Amundsen, Roald	1903-06	NOR	nwp	pvt
Peary, Robert	1905-06	USA	np	pvt
Harrison, Alfred Henry	1905-07	GB	oth	pvt
Wellman, Walter	1906-07	USA	np	pvt
Mylius-Erichsen, Ludvig	1906-08	DEN	oth	gov
Leffingwell, Ernest de Koven	1906-08	GB*	np	pvt
Cook, Frederick	1907-09	USA	np	pvt
Peary, Robert	1908-09	USA	np	pvt
Wellman, Walter	1909	USA	np	pvt

*Joint GB-USA expedition

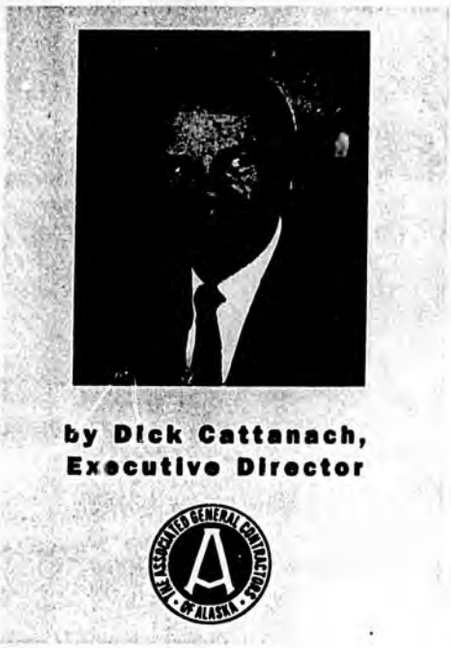
Abbreviations:

Nationality: AUS-Austria, DEN-Denmark, GER-Germany, GB-Great Britain, ITA-Italy, NOR-Norway, RUS-Russia, SWE-Sweden, USA-United States

Objective: nwp - Northwest Passage, np-North Pole, fs-Franklin search, oth-other (mainly Greenland)

Primary funding: gov - government, pvt - private sources

Looming Shortage of Qualified Construction Workers



by Dick Cattanach, Executive Director

Approximately 6,500 students graduated from Alaska high schools in 1998. From 1996 to 2006 the Alaska Department of Labor forecasts more than 12,300 Alaskan job openings annually, thereby creating a shortage of almost 6,000 workers annually.

Of high school graduates, about 40 percent will pursue a post-secondary education, magnifying the shortage even more. Informal discussions with labor and business leaders suggest graduating students are ill prepared academically to enter the work force, are ignorant of career options, and are unaware of the rigors of full-time employment. Where will we find new workers for the construction trades? Will they have adequate training to fill the openings? How will our industry identify and who will train the 800 new workers it needs each year?

Secondary schools, in conjunction with involved parents, support an emphasis on college preparation in their curricula. This emphasis tends to put the majority of students that don't go to college at a disadvantage. Does the educational system intentionally shortchange these individuals or is it the consequence of ill-conceived programs? Do these students deserve an educational safety net to allow them to explore career opportunities available after high school? What secondary and post-secondary programs exist for students interested in a vocational education? Do the State and its political subdivisions have an educational commitment to these students, or does the commitment extend only to college-bound students?

By default, labor unions provide most craft training in Alaska. When originally created, craft training consisted of selecting knowledgeable students and training them to be useful, contributing employees. Over the past 20 years the quality of students entering training programs has deteriorated significantly, leading inevitably to fewer well-prepared workers entering the work force.

Historically workers were imported to Alaska to fill labor shortages that couldn't be filled by trained residents. Today however, since the historical wage rate differential has largely evaporated, outside workers no longer see the 49th state as the pot of gold at the end of the rainbow.

As real as this problem seems, imagine the consequences of another major construction project. If the announced buildup of the anti-missile defense system becomes reality, the shortage of skilled craftsmen will be felt throughout the entire economy. To proactively deal with the problem we need commitments from the State, the legislature and local school districts. The citizens of Alaska and the graduating students deserve more from our educational system, and the consequences of further delays are untenable. This problem deserves immediate, top-level attention statewide.

Annette—

Alaska State Legislature

Select Committee on Legislative Ethics

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October 28, 1999

ADVISORY OPINION 99-03

RE: Are volunteer members of a legislative advisory council covered by the Legislative Code of Conduct.

You are a legislative employee and are covered by the legislative ethics code. You have requested an advisory opinion concerning facts and circumstances that you have related. The committee relies on facts that you have described in answering your questions. You have waived confidentiality under AS 24.60.160.

Statement of Facts

Last session the legislature enacted a Commission on Privatization and Delivery of Government Services in the legislative branch of government to review and evaluate recommendations for transferring the provision of governmen* services to other entities. Sections 2 and 5, ch. 61, SLA 1999. Subsection 2(b) of that Act authorizes the commission to appoint an advisory council to assist it in carrying out its duties. You ask whether the members of the advisory council, who are not compensated for their services or eligible for reimbursement of travel expenses or per diem, are subject to any restrictions imposed by the Legislative Code of Ethics. You note that allegations have been made that some of the members of the advisory council may have conflicts of interest because their recommendations on privatizing activities could, if accepted and acted upon, benefit them personally.

Discussion

Generally, the Legislative Code of Ethics (AS 24.60) applies to members of the legislature, legislative employees, and the public members of the ethics committee itself. AS 24.60.020(a). "Legislative employee" is defined at AS 24.60.990(10) as "a person, other than a legislator, who is compensated by the legislative branch in return for regular or substantial personal services . . .." It is clear from the privatization commission legislation

that the members of the advisory council are not entitled to receive compensation from the legislative branch. Therefore they do not fall within the definition of legislative employee and are not covered as employees by the Legislative Ethics Code. The Code does make certain restrictions applicable to volunteers. Under AS 24.60.080(i),

> (h) A legislator, a legislative committee other than the Select Committee on Legislative Ethics, or a legislative agency may accept (1) a gift of volunteer services for legislative purposes so long as the person making the gift of services is not receiving compensation from another source for the services or (2) a gift of the services of a trainee who is participating in an educational program approved by the committee if the services are used for legislative purposes. The committee shall approve training under a program of the University of Alaska and training under 29 U.S.C. 1501 - 1792b (Job Training Partnership Act). A legislative volunteer or educational trainee shall be considered to be a legislative employee for purposes of compliance with AS 24.60.030 - 24.60.039, 24.60.060, 24.60.080, 24.60.085, 24.60.158 - 24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative volunteer or educational trainee has violated the provisions of one of those sections, the person may file a complaint under AS 24.60.170. The provisions of AS 24.60.170 apply to the proceeding.

The ethics code does not define "volunteer" or describe who is intended to be included in the term. The committee believes that it is clear from the context of subsection (h) and the focus of the ethics code on employees and legislators that the term is meant to apply to individuals who are either in training as employees (under programs like the JTPA) or performing employee-like functions. The inclusion of volunteers is aimed at situations in which an individual legislator, legislative committee, or legislative agency may benefit from the activities of the volunteer (by an increase in staff support, for example). The members of the advisory council are acting in a different capacity, as advisors to the legislative branch of government. Their role is different from that of the volunteers who are intended to be covered by AS 24.60.080(h). The committee holds that members of the advisory council are not subject to the requirements of that subsection. The fact that a member might receive a personal benefit if the council's recommendations were accepted by the privatization commission, forwarded to the legislature, and implemented through legislation does not change this result.

Conclusion

For the reasons stated above, the committee finds that volunteer members who are not compensated for their services or eligible for reimbursement of travel expenses or per diem of the advisory council of the Commission on Privatization and Delivery of Government Services are not subject to AS 24.60 (the Legislative Code of Ethics).

Adopted by the Select Committee on Legislative Ethics on October 28, 1999.

Members present and concurring in this opinion were:

Shirley McCoy, Chair
Representative Al Kookesh
Senator John Torgerson
Dennis Cook, public member
H. Connor Thomas, public member
Curt D. Wallace, public member

Members absent were:

Representative Pete Kott
Senator Lyman Hoffman
Ed Granger, public member

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MEMORANDUM September 7, 1999

SUBJECT: Application of conflicts of interest provisions (CCS SB 33)

TO: Representative John Cowdery
Attn: Marco Pignalberi

FROM: Tamara Brandt Cook
Director

You have asked how conflicts of interest provisions might apply to members of an advisory council appointed under CCS SB 33. That act establishes the Commission on Privatization in the legislative branch and authorizes the Commission to appoint an advisory council. These members "are not eligible for compensation, per diem, or payment of travel or other expenses by the state." (Ch. 61, SLA 1999 (CCS SB 33), Sec. 3(b))

AS 24.60 (Standards of Conduct) generally applies to the legislative branch of government and it contains several provisions that address conflicts of interest issues. (AS 24.60.030, AS 24.60.040, AS 24.60.050, AS 24.60.070, AS 24.60.080, AS 24.60.085, AS 24.60.090, AS 24.60.100) All these conflicts of interest provisions apply to a legislator or legislative employee. (AS 24.60.020) The term "legislative employee" is defined in AS 24.60.990(10). Because compensation is required as part of the definition and the advisory council members appointed under CCS SB 33 are not compensated, in my opinion the majority of the conflicts of interest provisions do not apply to these members. A few of the conflicts of interest provisions do apply to another person who is acting on behalf of a legislator or legislative employee (see AS 24.60.030(d) for example), and a few apply to a member of the immediate family of a legislator or legislative employee (see AS 24.60 040 for example). However, serving on an advisory council alone will not bring a person within the coverage of even these provisions.

In conclusion it is my opinion that the conflicts of interest provisions of AS 24.60 do not apply to members of an advisory committee appointed under CCS SB 33, but be aware that the Select Committee on Legislative Ethics has authority to construe and apply AS 24.60 and that my opinion will not bind or influence the Select Committee. Advice can be requested directly from the Select Committee. (AS 24.60.158, AS 24.60.160)

TBC:pl
99-125.plm

Anchorage Daily News

Fatal flaws claimed in state study

Conflicts of interest alleged in privatization committees

By MARTHA BELISLE
Daily News Juneau Bureau

JUNEAU — Sweetheart deals, conflicts of interest and vote-packing tainted the work done by hundreds of Alaskans who volunteered to find ways to turn some government functions over to businesses, according to some who worked on the six-month effort.

An appointed panel, drawing on advice from volunteers who served on subcommittees, delivered a list of 20 recommendations to the governor and Legislature earlier this month. Backers of the ideas call the criticism unfounded, say the process was proper, and believe the recommendations will make Alaska government more efficient and better serve citizens.

But some members of the panel and subcommittees are condemning the privatization commission's work, arguing that monetary interests pushed self-serving goals that will ultimately benefit a narrow few.

"The end result is a reflection of personal agendas, not a plan for the good of the people of Alaska," said Rep. Tom Brice, a commission member and Democrat from Fairbanks. "The result was a fatally flawed product. It should be put on a shelf to collect dust."



Sen. Jerry Ward



Rep. John Cowdery

During the six months the commission and its subgroups were in operation:

- A panel headed by a former head of a private prison company called for the state to do more business with private prison companies.
- A subgroup headed by a private school director recommended public funding for private schools.
- A man involved in a long dispute with the state Department of Environmental Con-

See Back Page, PRIVATIZE

Continued from Page A-1

servation, was placed in charge of reviewing it. His group recommended major changes in the agency.

• A report concluding that one state agency was doing a good job was tossed out and replaced with recommendations mirroring those of one of the lawmakers who helped create the privatization panel.

• And, in at least one case, a privatization committee recommended adding a new government agency.

Sen. Jerry Ward and Rep. John Cowdery, both Anchorage Republicans, launched the Commission on Privatization and Delivery of Government Services last June after lawmakers approved a bill directing a study on moving government functions to the private sector to save the state money.

"The overriding principle behind being prime sponsor of this bill," Ward told a joint Finance Committee hearing earlier this month, "was if it could be done (in the private sector) at the same level of service for less money, than it ought to be done. If it can't be done for less money, then we shouldn't do it."

Both Ward and Cowdery said the groups were given a huge task in a choking time frame, but managed to produce a fair, balanced report that lawmakers can use when deciding new directions for government services.

Sen. Sean Parnell, R-Anchorage, co-chairman of the Senate Finance Committee, said he has asked the budget subcommittees to review all 408 recommendations from the privatization panels and final 20 from the commission.

House Speaker Brian Porter, R-Anchorage, said he had heard of some conflict of interest concerns, but thought it was necessary to bring in people who specialized in specific fields with knowledge of how certain areas worked. Porter said he had not heard of any inappropriate behavior in the commission.

CHAIRMAN ASSIGNMENTS 'MYSTERIOUS'

Eleven commissioners were appointed by a combination of legislative leaders and heads of municipal, business and labor organizations. The commissioners directed state agencies through 20 subcommittees made up of community members.

Anyone interested could join a subcommittee, Cowdery said. Chair positions were handed out upon request, he said, adding, "generally, the first person who wanted to be chair was chair. No one was denied participation."

But an assortment of people who held those posts said in recent interviews that they were called or received a notice in the mail asking if they would join, then were assigned or voted in as chairs.

"The assignment of subcommittee chairs was mysterious, confusing," said Steve Rosie, who sat on the Community & Economic Development panel. Rosie manages the Made In Alaska program, which contracts with the Department of Commerce.

Several people involved said the panels were stacked with hand-picked members and leadership positions predetermined. Mike Abbott, who oversaw the process for the governor's office, said "partisan politics appeared to have played a major role in the selection of subcommittee members," said Don Valesko, a commission member and a representative of a state worker union.

One woman who tried to participate said she was told she couldn't vote and was ultimately left off the panel roster.

Kelly Brown of Fairbanks, a business agent with the Alaska Public Employees Association, volunteered and served on a panel looking at Health, Education & Social Services.

During meetings of other subcommittee panels, she said she was told she couldn't vote because she worked for state employees. She also was surprised to learn that her name wasn't included in the final list of subcommittee members, even though she attended meetings.

The commission's final report boasted that the panels "included at least one member of the state employee unions."

That sort of conflict between some group leaders and volunteers "turned off a lot of people," she said. "They were drowned out by people who wanted to push their own agenda."

Marco Pignalberi, Cowdery's legislative aide and executive director of the commission, said Brown's allegations were not true. "We never kept anybody from voting," he said. "It was the most all-inclusive process we could possibly have made it."

The absence of Brown's name from the final list "was probably an oversight," said Ryninieva Moss, a legislative aide for Rep. John Coghill who worked on the subcommittee and remembers that Brown participated and offered recommendations.

CRITICISM STARTS EARLY

Complaints that many subcommittee members had conflicts of interest began early and never went away.

"The way the commission was established and run," Bride said, "was if you're in business and want to get a government contract, come participate."

Some business people initially were reluctant to participate in the process out of fear that they might be barred in the future from bidding on state contracts.

To reassure them, Pignalberi asked the Legislature's legal service for an opinion on their concerns. A legislative counsel later told the volunteers that contractors serving on the panels would not be restricted from state contracts.

Cowdery and Pignalberi said the personal agenda accusations were unfounded.

"There's no conflict of interest in a volunteer group," Pignalberi said. "Conflict of interest occurs when you have decision-making authority and you use that power for your own benefit."

All recommendations from these subcommittees must be run through the Legislature and by the governor, he said. "There's checks and balances."

But critics of the subcommittees' makeup argued self-serving interests kept the panels from looking objectively at privatizing state work.

The panels also didn't do much of the work the bill required. No cost-benefit reviews were done, no studies on competitive bidding, no surveys of what other states have tried and failed at.

state budget was too difficult to understand and most programs are not judged by costs for specific services.

The panel unanimously complained that they didn't have enough time for a complete job.

Cowdery and Pignalberi tried to quell some early conflict of interest criticism after the Department of Corrections panel came under fire for having as a chairman the head of a private corrections company.

David Morrison, head of Correctional Services, a private company that now owns Wilvest Inc., was replaced as chairman early on in the process. His company operates a number of private corrections facilities in Alaska and is slated to build a new prison in Delta Junction, thanks to aggressive lobbying from Ward.

But Morrison's substitute also has been heavily involved with the private prison industry in Alaska.

The replacement, Sharon Anderson, is a former chief operations officer of Allvest who worked for Cornell from August 1998 until June 1999. Cowdery, Pignalberi and Anderson said they couldn't remember who asked her to serve as chair, but believed the invitation came from Ward's office.

Pignalberi also said it wasn't a problem because the subcommittees started after June. "There was no reason not to use her," he said. "She has expertise in the area. The fact that she worked for the company in the past didn't disqualify her."

In the end, the Corrections panel recommended that the state shift much of its corrections work to private companies, including its entire sex offender treatment program. It also suggested moving nonviolent prisoners to private inmate-use facilities. Cornell provides such services.

Questions also were raised about other chair assignments and panel recommendations.

Virgil Norton of Nikiski was put in charge of the panel reviewing the Department of Environmental Conservation. Norton works for a man in Kenai who is suing the DEC over a multiyear, $1-million-plus cleanup of dry cleaning fluid spilled on his land and seeping along the Kenai River.

Norton's boss, Gary Hinkle, has battled the DEC for nearly three years over the cost of the cleanup and the way it has been handled. Norton's panel ultimately recommended a laundry list of changes to the way the DEC operates, including how it issues permits and conducts investigations.

The group also recommended that the Legislature "prohibit unnecessary and redundant rule making by the department" and "fund a thorough audit" of the DEC.

Jim Hickel, executive director of Holy Rosary Academy, a private school in Anchorage, chaired the Education & Early Development panel. The group's recommendations included creating a voucher system — in which the government pays for schooling by giving families redeemable certificates. The families use those vouchers to pay for the school of their choice, including private religious schools.

[redacted]

One recommendation from the Community said, "there should be an Alaska Film Commission." In the commission's final report, the recommendation states "there should be an Alaska Film Office."

Until last year, the state film program was run by Mary Pignalberi, wife of commission executive director Marco Pignalberi. She and four others were laid off when the Legislature cut the division's budget last year.

Steve Levi, an Anchorage-based writer, who served on the economic development panel, said Mary Pignalberi is a friend who also used to direct film work his way when television or movie producers called her office for help on a project.

He lobbied his group to add the film office to the list, he said, because "Alaska is the only state that doesn't have a film commission" and he and other writers need an agency to steer work their way.

Marco Pignalberi said the recommendation came from others, not him.

"At no time did I ever try to get that position to get my wife's job back," he said. "I did not instigate anything to do with the Alaska Film Office."

Pignalberi did not object to adding the film office to the recommendation list, however, even though it means more government, not privatization. He said the film commission's work was valuable to the state. He also said part of the panel's job was to offer suggestions on making the delivery of government services more efficient.

The fully staffed film office did that, he said.

One subgroup recommendation was rewritten and its chairman booted after it submitted a report at odds with Cowdery's views.

Ric Davidge, who led the Community and Economic Development sub-subcommittee for 2½ months, said in the first meeting Cowdery offered a report he had done during the last legislative session on Alaska's international trade programs. Cowdery's study was highly critical of the way they were run and concluded that the services would be better provided by the World Trade Center of Alaska, a private group that competes with the state's Division of Trade and Development.

Davidge said his group read Cowdery's study, and the subsequent reports critical of the paper, and chose to take a different track. Their final report explained their reasons and offered recommendations significantly different from Cowdery's.

When the panel turned in the report, Pignalberi condemned it as "off the mark" in an e-mail to Davidge and said it was a political attempt to further Commerce Commissioner Deborah Sedwick's disapproval of Cowdery's report.

Davidge, who had worked in the Reagan and Hickel administrations, said that was absurd. "Rather than look at the substance of the report, they attacked the individual," he said.

Davidge was ousted as chairman. Pignalberi assigned a new international panel and told the group to write a new report. The new chairman: Lee Wareham, a retired vice president at Alascom and board member of the World Trade Center.

[redacted]

MEMORANDUM
Department of Natural Resources

State of Alaska
Office of the Commissioner

TO: Commission on Privatization

DATE: December 1, 1999

FILE NO:

TELEPHONE NO: 269-8431

FROM: Marty Rutherford
Deputy Commissioner

SUBJECT: Report of Subcommittee on Privatization of DNR

Attached is the Department of Natural Resources (DNR) response to the Privatization Report on DNR. The format of this document is similar to that provided to the full Commission on Privatization from the DNR Subcommittee, in that it is divided into division/section responses to the division/section reports.

The attachments speak to the details of the comments and recommendations. However, there is one item I would like to note in this cover memo. Throughout the DNR Subcommittee Report are various budget detail. Some of that detail is an accurate reflection of what is in the FY2000 budget, which runs from July 1, 1999 through June 30, 2000, and some of it is not. Recognizing that the budget documents are difficult to use I strongly recommended to the DNR Subcommittee that they work closely with DNR's division managers to understand the documents they were being asked to analyze by their subcommittee chair. When that close coordination did not occur, the Subcommittee Report occasionally reflects detail which is inaccurate and misleading. For that reason I would like to work closely with your staff as you develop your final Commission Report so that I might identify and clarify budget confusions.

Finally, I would like to apologize that I was not available at your initial meeting on November 18th to review the DNR Subcommittee Report. Because our subcommittee chair was out of the country I was unaware that the full Commission was reviewing the DNR Report until the evening of November 17th and at that time I was traveling to Fairbanks and Juneau.

I look forward to working with you and your staff as you prepare your final recommendations.

Attachments

RESPONSE TO PRIVATIZATION REPORT ON RECORDER'S OFFICE

Sadly, the privatization report pertaining to the Recorder's Office is fraught with inaccuracies, incomplete information and adverse personal opinions by the disgruntled former contractor who prepared and presented the report. It is important to state that the preparer of the privatization report did not contact any Recorder's Office manager or other DNR official to confirm statements in the report nor to discuss the proposed recommendations. DNR is hopeful that the legislature and the public will be able to see through the biased nature of this report and recognize the true value of the services provided by the Recorder's Office/UCC component.

The Recorder's Office component is fully funded by program receipts and routinely generates more than $1 million in excess of its requisite operating funding annually. In FY99 this excess approached $2.5 million. It is hard to understand why the state would even consider privatizing a money-making program such as this when the state is in such dire need of revenues.

Implementation of the internal indexing system has been beneficial for both the Recorder's Office staff and for the public. The new system offers many new tools and efficiencies that were not available on the prior system operated by a private contractor. Further, the component has the ability to seek continual improvements in the system as needed and can get timely responses to such requests, something that it was unable to achieve while the system was operated by a private contractor under a no cost agreement.

The "History" section of the report seems irrelevant to the issue of privatization. What it does convey is the immense conflict of interest represented by a private vendor who wants to recover the operation of a system for his own purposes. The sole source agreement with Motznik Computer Services expired in June 1996, when the contractor failed to meet the conditions previously agreed to for extension of the agreement. In April 1997, the contractor stated that the processing would not be provided beyond July 1, 1997, unless the state began paying for the service and substantially changed its data entry procedures. Soon thereafter, the House Labor and Commerce Committee instructed the department to resume negotiations with that vendor, and a one-year extension was reached. At about the same time, the Legislature appropriated $50.0 for the in-house Recorder's Office indexing system in SLA97, CH100, Sec. 82, P54, line 22. When the agreement with MCS again expired in 1998, DNR was ready to transition to the new system that the legislature had authorized the previous year.

The transition to the new system occurred in January 1999. For the first time in a very long time, our employees felt they were in control of their daily work. They do not have to worry about losing a lengthy document that took many hours to input (a frequent occurrence under the old system), as the new system enables them to save their work in progress. The many operational and data entry efficiencies offered by the new system have enabled staff to keep pace with the daily work and to minimize the incessant backlogs incurred under the prior system. Further, the new system enables the public to

get the information much sooner than before, and corrections to data show up immediately (rather than up to six months later as under the prior system).

One of our frequent customers had this to say about the new system: "The state's new system is superior to Motznik's slow and expensive system ($1.25 per minute) because data can now be searched by recording district, document type and date. These features alone save me about 95% of the time I would normally spend searching the Motznik system."

RESPONSE TO RECOMMENDATION 1

The FY00 CIP request for Y2K funding was submitted in good faith on the best available information at the time. DOA expressed Y2K issues for the SNA network and told agencies they needed to migrate to the Wide Area Network (WAN). Increased costs would occur for agencies that chose not to migrate. Later, however, DOA clarified that there was no Y2K issue driving the SNA to WAN conversion. DNR withdrew its request as soon as it received the updated information.

The Recorder's Office received Revised Program funding for two front-line staff at the height of the refinance activity in FY94. When the high volumes tapered off in the years following FY94, they remained well above volumes in the early 1990's when staffing levels were higher. There was no excess staffing, but rather a continued need to address the incoming workload under an indexing system that was cumbersome and difficult to use.

Recording offices process and film much documentation that is never reported in the page count statistics for recorded documents (i.e. plat attachments, UCC attachments, etc.) The fact is that the component filmed and processed more than 560,000 pages in FY99. Less than 380,000 pages were filmed in FY94.

RESPONSE TO RECOMMENDATION 2

The informational letters distributed by the State Recorder were designed to inform the user groups about potential adverse impacts of budget reductions. Our managers believe they have an obligation to keep the public informed of possible impacts. There would be overwhelming negative response from the public if offices were closed or otherwise impacted and the public was not informed.

RESPONSE TO RECOMMENDATION 3

The report states that the processing was provided for 12 years "at no cost to the state". Because the contractor was not compensated by the state, the system was not maintained with current technology and did not meet the needs of the public. You get what you pay for! The state did seek other vendors who would be interested in providing the system at no cost. Responses indicated this would only be possible if the state would provide them with an exclusive license to market the data or meet other unreasonable requirements.

We suggest our customers be asked the question whether the system is serving their needs. The current system is meeting our internal and customer needs far better than the prior system did.

RESPONSE TO RECOMMENDATION 4

Contracting out the entire recorder's office process is an unrealistic suggestion. The state would be relinquishing a revenue-generating program at a time when revenues are critical to state operation. Further, the original historic records of Alaska should never be placed into private hands. The registry process is rightly a governmental role and the government should not abandon this responsibility. The suggestion that a title company could perform this role would result in a massive conflict of interest issue.

RESPONSE TO RECOMMENDATION 5

In order to protect the integrity of the original permanent record, the archival film should never be used for duplicating. The component contracts out for film services it does not have the capability of providing. Fiche duplication is an in-house service that has been provided by the component for many years.

RESPONSE TO RECOMMENDATION 6

Document policing is not a role that should be played by recording staff. In fact, AS 40.17.035 mandates that recorders "may not consider whether the contents of a document are legally sufficient to achieve the purpose of the document." The responsibility to prepare documents correctly is on the party preparing those documents, not on the recording staff. Recording staff examine documents for compliance with minimum acceptance criteria only. Legal descriptions are not required on documents, but are indexed if they are present.

Benefits of New DNR System	Problems with Motznik System
Y2K compliant	Was not Y2K compliant
Significantly Faster Response Time	Slow Response Time
Indexing of documents kept current	Routine Backlog of Data Entry
99% or better system availability	Frequent down time
Unlimited Indexing Capability	No capacity for indexing large documents (>999 lines)
Corrections applied immediately.	Long Delays in applying corrections to documents, up to 6 months
Ability to save partially indexed document	No ability to save partially indexed document
No loss of long documents.	Common to lose lengthy documents before completed, work is lost
Ability to share work on large document, supports simultaneous data entry per specific rules	Large documents entered under temp id, programmer work to merge pieces.
Ability to view verified and unverified	Customers could not see unverified documents
No delay in viewing, view after entered	Overnight delay to view verified documents
No loss of documents	Some documents dropped or lost
Automatic Line Sequencing	Manual typing of line numbers
Abbreviations expanded to full name	Required extensive knowledge of abbreviations
Efficient data entry software and procedures	Data entry was labor intensive
Expanded customer options for searching at district level.	Limited search ability at the district level
- Search by district	- Not available
- Search by date	- Not available
- Search by document type	- Not available
- Search by book and page	- Not available
- Search by plat number statewide	- Not available

ERIK HANSEN
Geologist / Land Status Specialist
P.O. Box 97 • Ester, Alaska 99725 • Phone (907) 479-2195

March 16, 1999

Commissioner John Shively
Department of Natural Resources,
Juneau, AK 99801

NEW COMPUTERIZED RECORDER/UCC INDEX SYSTEM.

I have been in the Alaskan mining industry for almost 30 years as a geologist and land man, and I have spent thousands of hours researching mining documents at the State's recorder's offices.

I am writing this letter primarily to express my appreciation for the new computerized index system now available to the public at a number of state offices. This system was created by the Department of Natural Resources and implemented on January 4, 1999, and it is far superior to the previously available Motznik (privately owned) system.

The state's new system is superior to Motznik's slow and expensive system ($1.25 per minute) because data can now be searched by recording district, document type, and date. These features alone save me about 95% of the time I would normally spend searching the Motznik system.

It is my hope that the virtual monopoly by Motznik Computer Services has come to an end and that this important public data base can now freely be made available to the public. Ideally, the data should be made available free on the Internet, however, as a subscriber ($500/year) and frequent user of the State's LAS system I would be glad to pay an extra fee just to be able to access this system at my home office. For some reason, private subscribers to the State's LAS system are still specifically barred from accessing the new Recorder's Office System.

I would appreciate if you help making the new system available to private subscribers, and I would also be very interested in knowing who in the Administration decided to block this data base from public access and why? Could it be that the monopoly is not quite broken yet?

Sincerely,

Erik Hansen



Edward J. Palmer & Associates
Registered Land Surveyor

April 28, 1999

The Anchorage Times
P.O.Box 100040
Anchorage, Alaska
To: The Editors

Concerning your editorial about the new State Recorder's Office computerized record retrieval system Vs Motznik Computer Service's "free" computer system.

The only reason Motznik's computer service was free was so he can sell the Recorder's Office data through his system to subscribers on-line. The data is input into his system by State Recorder's Office personnel on a daily basis; his system simply sorts the data and stores it. He does nothing more than maintain the computers.

I have been a user of Motznik's computer system in the Palmer Recorder's Office and have complained about that system since the first day I used it. Motznik's computer system is old and very slow and is poorly set up to retrieve data and presents the info in a manner that makes it difficult to find what I need. I was very unsatisfied with Motznik's computer system. The Palmer Recorder's Office was aware of the problems with that system and contrary to what you printed they were not satisfied with what Motznik was providing. I was told by them that Motznik refused to upgrade or change his system and in my opinion that left the Recorder's Office little option but to go it on their own.

I have used the new system in the Recorder's Office in Palmer and have found it to be an excellent replacement for Motznik's system. The new system is very fast with data retrieval and best of all it presents the all the available data in a manner which makes it much easier to find what I need. With Motznik's system I had to look in four or five different places to ensure I hadn't missed anything. With this new system all the available data is presented in one easy to scroll through screen. In fact now I can find in five minutes what used to take one-half hour to one hour to find and am sure I've found all the data to be found in the system.

I think the State's investment in the new system is well worth the money involved. My congratulations to Sharon Young and the State Recorder's Office for a job well done and for having the guts to do what's right for us, the end users of all the data archived by the State. They've done a good job with this new system.

I think you were dead wrong in your editorial and ought to re-think your position on this matter. I think the money invested in this system was well worth the price. Furthermore, I think the State can provide (for a fee, of course) the same on-line service to subscribers that Motznik provided. And to your complaint that this is getting into the field of private enterprise you can squelch that by remembering that Motznik had his chance to upgrade his system and refused. There are other options too: let the State farm the system out to private enterprise to run, for a fee.

Yours truly,

Edward J. Palmer, R.L.S.

P. O. Box 746 - Talkeetna, Alaska 99676 - Phone & Fax (907) 733-1697
Member Alaska Society of Professional Land Surveyors

MEMORANDUM State of Alaska

Department of Natural Resources
Division of Mining, Land and Water

Tele: (907) 269-8600
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E-mail: bobl@dnr.state.ak.us

November 21, 1999

To: Marty Rutherford
Deputy Commissioner

From: Bob Loeffler
Director

Subject: Privatization Recommendations.

Recommendations for Mining and Water Components

The analysis of the Mining, Geologic, and Water Development Component analyzed the wrong budget. That is, it indicated that the FY 98 budget for the component was $31.6 million and the FY 99 budget was $21.5 million. This isn't our budget. I do not know whose it was. Just to review a few examples, my staff did not spend $9.5 million on travel in FY 98; nor did we spend $331,378 on room rental. I do not know whose budget these recommend are made on, but they are not made after analyzing anything related to the old Division of Mining and Water Management.

Recommendations for Land Development Component

The subcommittee recommendations included the following.

1. Marketing of land disposals. "The marketing of land disposals...could be accomplished by a private company for a fixed fee or commission."

   Response: Marketing land disposals requires very little staff time by the department. Costs are basically printing and mailing. Thus, there is very little opportunity to save funds by privatizing this function. While significantly greater marketing could be accomplished by the private section, this would increase exposure of the program but would cost significantly more. Thus, privatizing marketing is not an cost-saving measure.

2. Appraisal and Survey of land for lease or sale. "There may be opportunities for privatization in the appraisal and surveying of land for lease or sale. The division has already undertaken to contract some of the lease appraisals to private entities. At this time only a portion of the land for disposal requires a state funded survey (i.e., a lease applicant must pay for his or her own survey). Depending on cost effectiveness and the perceived necessity for review, privatization in this area could be expanded."

Response: We are please that the analysis recognized DNR's efforts in this area. Most appraisal and survey at this time is accomplished by private parties. We will look for other opportunities use private firms for this as cost-effective opportunities arise.

3. Customer Service – Dissemination of information to the public via web sites. The report recognizes that we should leverage technology and make increased use of web sites to disseminate information.

   Response: We agree.

Response to Privatization Subcommittee November 22, 1999

Agricultural Revolving Loan Fund (ARLF)

The Audit Report issued on ARLF in March of 1998, control number 10-4557-98, was favorable towards the current operations of the ARLF. It did give recommendations, most of which were agreed to and have either been implemented or are in the process of being implemented.

The facts and observations listed by the committee warrant the following comments:

1. Most of the projects fell short of their goals--Various factors led up to the difficulties with the large projects attempted in the 1980s; however, those were through the efforts of the Agricultural Action Council and not the ARLF. ARLF inherited those problem accounts after the Agricultural Action Council was disbanded. The Division has moved past these project problems. Agricultural production has shown steady, moderate growth in the past decade.
2. Success in increased vegetable production may have occurred without ARLF--this is speculative, given that some of the most consistent and reliable borrowers with ARLF are larger producers of lettuce, potatoes, and carrots. A borrower in the Delta region has financed his carrot operation through ARLF and serves the interior market as well as breaking through in the export market to Taiwan this year.
3. Barley export is no longer the focus of the Delta project; in fact, the area has a healthy diversity of agricultural enterprises. However, barley is still a viable product, which is grown and utilized within Alaska for dairy ration and other animal feed.
4. The ARLF cash balance is not falling at the rate projected in the audit, and because of conservative management and sale of assets is actually higher, at $6,776 million at the start of FY2000. ARLF direct expenses have been exceeded by income by $275,000 over the past four years.
5. There are still significant assets to dispose of, indicating the cash balance decline may not be as drastic as forecasted, delaying the need for a large infusion of funds.
6. We agree that Division of Agriculture functions besides ARLF should be funded with General Funds.
7. Since the audit report we have been aggressive in collection on bad loans and court judgements. Currently a full-time attorney works on these cases.
8. Recent disposals of ARLF assets (agricultural lands) have exceeded appraisals in outcry auctions. We agree that vegetation re-growth is not a positive development and will be minimized through disposals of land within two years.

9. Most private banks do not participate in agricultural lending because they lack knowledge of it and see it as too great of a risk. Federal programs are lenders of last resort and ARRC is undercapitalized.

Suggestions:

1. Private lending institutions have not shown an interest in agricultural lending nor do they have experience or expertise.
2. Is it government's role to assist banks in generating profits, especially when the intent of ARLF is to assist agricultural development.
3. We agree the non-ARLF division programs should be funded with general funds.
4. We have made significant progress on bad loans and judgements and by late 1999 will determine whether some cases can be contracted to private collection agencies.
5. We are currently pursuing an aggressive sale schedule to dispose of these properties.
6. Until general funds for division functions are restored, this action would essentially cease all state agricultural functions, many of which are statutory.

Division of Agriculture Functions
[(Land Management, Inspection and Marketing, Plant Materials Center (PMC)]

1. We agree we have numerous duties, many legislatively mandated.
2. We agree with this partial list of services the division provides.
3. We concur; however, note that the seasonal employees at the PMC are not included in this number.
4. This is true; our federal inspections are a good example as well as our land sales programs.
5. This is correct.
6. This is essentially correct also.
7. We appreciate this observation.
8. We will continue to look for efficiencies.
9. Our limited general funds come from these land sales in the form of program receipts from interest generated on the sales.

We cannot ignore the fact that at this point ARLF and the rest of Division of Agriculture functions are interrelated and interdependent and that connection does not seen to be recognized in these two reports, as evidenced by extremely different conclusions.

MEMORANDUM

State of Alaska

Department of Natural Resources

Central Office

Division of Forestry

TO: Marty Rutherford

DATE: November 22, 1999

FILE NO:

TELEPHONE NO.: 265-3379

FROM: Jeff Jahnke
State Forester

SUBJECT: Privatization Report

Privatization Report -- Resource Management Response

Comments on Summary

- Small sales. We appreciate the recognition that we are adequately meeting the demands of small operators. In southeast Alaska, this is our main niche given the limited amount of state-owned forest land. Throughout the state, support to local operators is one of our goals.
- Large sales. The report asserts that the state doesn't offer enough large sales to allow major investments in new and expanded forest operations, but notes that the value-added sale program (under AS 38.05.123) may help. DOF is indeed using .123 to offer larger sales in Southeast and Interior Alaska, and can use the program for appropriate proposals in southcentral as well. However, the state owns little of the forested land in SE Alaska, and can provide only limited long-term support to major processors. There may be more opportunity for expansion in southcentral and Interior Alaska, if there is demand for under utilized species, particularly low-quality hardwoods. Large sales should only be offered if we can continue to support small local operations as well.
- Forest Management Agreements. The state does not support Forest Management Agreements. State land is public land managed for multiple use and sustainability of all renewable resources, and the track record of multiple use management by private firms is weak. The history of large, long-term contracts on public land elsewhere in the U.S. and Canada raises serious questions about their long-term economic and environmental desirability.

Comments on Suggestions

1. DOF provides appropriate detail on management costs. State forests are managed for multiple use and sustained yield of renewable resources, not solely for economic

returns for timber. Therefore, the state bears different costs than private forest managers.

2. Fire management and forest resource management are intertwined, and one of the Division's goals is to better integrate the programs. Staff have responsibilities in both programs, and separating the budgets is counterproductive.
3. We appreciate increased flexibility in timber sale options. However, our ability to offer 20-year sales is limited by the amount and type of forest land in state ownership, and by obligations to offer sales in a range of sizes to support a variety of operations.

Comments on Fire Suppression:

Comments on Summary:

The section concerning the Division's Fire Management Program was quite complementary and reinforced our belief that our efforts to continually improve the program are having a positive effect. It was quite pleasant to hear an opinion from the private sector that we are doing some things right in state government. Mr. Tasker made two recommendations for consideration at the end of his report. I would like to address those recommendations in detail:

Comments on Recommendations:

1. More extensive use of the internet. The Division utilizes the internet for the posting of fire status and information as Mr. Tasker mentions. We also have a website that has a great deal of information on it concerning a lot of the Division's activities. We are always looking for additional ways to use the "net" as it is quite cost effective and is accessible not only to the public, but also all of our employees and cooperators.

2. More support for the Tanana Hotshot fire fighting crew. I am assuming that Mr. Tasker means the Tazlina Hotshots in his recommendation. The Tazlina's have become a very successful semi-private crew. We call them semi-private because they are a private crew until they are hired as emergency firefighters (making them temporary state employees) and dispatched to a fire. The Division provides training and logistical support to the crew in an effort to keep them ready for immediate fire dispatch. The Division also has the authority to hire the crew as non-emergency EFF to work on a variety of non-fire related activities. Funding to payroll the crew on non-fire projects comes from cooperating agencies such as the BLM and Municipality of Anchorage. One way to support the crew would be to increase the authorization level on the amount of money the Division can receive from cooperating agencies.

Alaska Division of Parks and Outdoor Recreation
Response to Privatization Report

The Alaska Division of Parks and Outdoor Recreation recognizes the benefits of contracting certain units of the state park system for private operation. Since 1995, 11 units have been contracted including two historical sites (Rika's Roadhouse and House of Wickersham), one trail system (Juneau/Perseverance), one visitor/nature center (Eagle River in Chugach State Park) and seven campgrounds (Montana Creek, Porcupine Creek, Dry Creek, Little Tonsina, Squirrel Creek, Blueberry, and Liberty Falls). Three additional sites are planned for 2000.

The existing contract operations are not fully privatized operations. The Division of Parks retains primary responsibility for major maintenance. The cash flow is too low to expect a private operator to fund daily operations and maintenance and also have the ability to invest in reducing decades of deferred maintenance. The Alaska State Park system has identified $35 million in deferred maintenance needs. The revenue projections identified in the report are roughly the same figure as Parks currently spends to operate those same facilities. This simply leaves no extra funds for large deferred maintenance projects. Only if the deferred maintenance backlog is reduced could park units truly be privatized.

Two issues recognized by Parks in its contracting to date were also identified by the privatization committee. Many park units are not economical to individually contract. The privatization report refers to "bundling" park units to make a more economic package for a potential operator. This strategy is currently employed in over half of the campgrounds contracted to date. Parks "clusters" our units together to make an acceptable economic package.

The second issue relates to the camping pass. Based on past experience when park camping passes were not required to be honored at contracted park units, the Division of Parks implemented a policy requiring that park camping passes must be honored at park units operated by private contractor. The public confusion and resulting camper anger when they were not honored was horrific and resulted in a black eye for the state. Recognizing that this requirement costs private operators revenue, State Parks is already implementing one of the recommendations of the committee by canceling the non-resident camping pass beginning in the 2000 camping season.

The viability of a massive privatization move, as suggested in the privatization report, is based on a cancellation of the resident camping pass. Revenue from nightly campground fees and camping pass sales in the four park areas identified in the report totaled almost $700,000 in FY98. The report calculates potential revenue of $1.2 million from the same campgrounds if no pass were available. The $500,000 difference is caused not by commercial RV pass sales, as suggested in the report, but by the 3,500 Alaskans who purchase a resident camping pass. This is a benefit that Alaskans are very keen on and

the political fallout of canceling this program, as suggested in the report, could be very high. As such, we have not considered canceling the camping pass for Alaskan residents.

Parks also agrees with another of the strategies suggested in the privatization report, that all campgrounds must have an onsite presence. The report suggests that this can only be efficiently achieved with paid staff. We disagree. Parks has a vibrant and successful volunteer program where volunteer campground hosts are recruited, trained, paid a small stipend, and put to work in our campgrounds doing exactly the same tasks the report suggests as only possible with a paid staff. Parks is currently providing most of these services with volunteers.

One service we do not currently provide is reservations. We were evaluating a reservation system for the Kenai Peninsula when we doubled the price of the non-resident camping pass three years ago. The resulting drop in non-resident pass purchases and subsequent drop in non-resident visitation left more campsites open for Alaskans. Complaints dropped off significantly. With the complete cancellation of the non-resident camping pass next summer, we anticipate even more campsites will be available for Alaskans. This would alleviate the expense of a reservation system and the probable ill will caused by having Alaskans call an out-of-state phone bank to make an Alaskan reservation.

Alaska Division of Oil & Gas
Response to Privatization Report

Reasons why privatization of certain areas of the Division of Oil and gas is not in Alaska's best interest:

Note: The numbers in brackets (#) refer to numbered sections in the report and the **Bold** section names correspond to those in the report.

(2) **Resource Evaluation**. Although the report correctly notes that privatizing the resource section would cause inefficiencies, likely raise not decrease costs, and create conflicts of interest it still concludes that "Amount Potential for Privatization" is $200,000. Except for mentioning "potential leverage of outside knowledge" this privatization amount is not explained. What exactly is being privatized? Following are some comments appropriate to this section, whatever the intent of the report:

- The Resource Evaluation relies on confidential information regarding exploration and development plans and proposals provided by the private sector. There would be a natural reluctance by operators to reveal such information to a private contractor. The data collected and used is confidential. If a private firm handles the confidential data how will it be protected? Won't the private firm need to set up groups almost identical to the division's existing groups to do the same work? The Resource Evaluation section deals almost exclusively with proprietary confidential data supplied by permittees under stringent protective rules. Industry would not be willing to deal with an out-sourced contractor.

- The public data would end up in the hands of <u>only</u> one private party. Presently access to public data is not controlled or manipulated by a for-profit entity. Who will maintain the existing public info on the department's digital databases?

- In leasing, permitting and unitization decisions there is a negotiated balancing of economic and environmental benefits and costs. It is not appropriate for a private for-profit firm to make these decisions. Will the private firm have the engineers, geologists, geophysicists, lawyers, and technicians to do the job correctly?

- Determinations of what is or what is not in the state's best interest would end up in private hands. What is to prevent them from looking out for their own best interests and profit? Can the commissioner contract away his statutory obligation to make decisions in the state's best interest? Will another state, federal or local agency be willing to negotiate with a private firm who now represents DNR's interests?

- Appeals—who will defend/support the appeal and who will the appeal be made to?

- Fees and revenue - we seriously question whether money will be saved. The private firm will have to replicate or even increase staff relative to the division to maintain the same expertise. How will the two entities interact and can they form the believed synergies?

(3) **Leasing/Tech Support**

Areawide leasing and exploration licensing—the report completely confuses the two programs and misstates the effect of the added programs. We are doing more, not less. We are now offering more acres than ever before, and we are offering these acres in regularly scheduled sales each year. The statement in the report "the Oil & Gas Development unit has had one major change in recent years <u>that required adjustments in how they complete new development</u>" (emphasis ours) has no meaning that we can decipher.

In addition, the results of the current outsourcing of the best interest finding for the Copper River area are less than satisfactory. Hopefully, the outsourcing process and work product/performance of the contractor can be improved.

The reason we issue a Five Year Leasing Program report is because it is required by law —AS 38.05.180(b). It is issued every OTHER year (at the beginning of each new Legislature).

(4) Revenue Development

As explained below, we see no benefit, either in service or cost, provided by an out-of-state consultant. We agree the opinion that outsourcing may lead to increased costs.

Revenue Development expertise needs to be maintained in-house

1. Royalty settlement agreements, TAPS settlements, lease contracts, and other agreements made with industry are numerous, complex and arcane. Outside consultants are unlikely to have the expertise on hand and would have to make a considerable investment to develop this knowledge.

2. Issues arise abruptly and outside the control of the division. In order to successfully anticipate the state's need for timely analysis, outside consultants would have to be retained on an ad-hoc basis with little opportunity for any real savings.

3. The division must retain a sufficient staff to preserve the division's institutional memory. Without an institutional memory the state would pay dearly each time it hired a consultant and had to educate him on the complex issues with which we deal routinely.

4. In a practical sense, the division has already privatized. When very important and potentially costly disputes arise, the division relies on outside consultants. Through our representation by the Department of Law, expert economists, lawyers, and analysts are hired to conduct the research and support the state's position in these situations. The small staff in the Revenue Development acts as an informed buyer for the state when these services are hired. This staff also collaborates with the outside consultants by contributing its unique expertise.

5. The various settlements and contracts with industry are often intertwined. Sometimes trade-offs are made in one agreement based on the trade-offs made in previous agreements. Sometimes the state's interests in an agreement are affirmed in later agreements. Outside consultants hired on a case-by-case basis cannot represent the state's best interest without this knowledge.

6. In every issue where Revenue Development participates in the division's decision making, confidential data is acquired from industry. Providing this data to outside consultants creates a potential security lapse.

7. The division may also be severely restricted in what data may be revealed to its consultants, e.g., data received from one lessee may be relevant in determining the best interests of the state in an issue involving another lessee. Sharing these data with an outside consultant is probably illegal.

(5) **Units** Although privatization of the Units section is not contemplated in this report there are some very serious misconceptions put forward in the "General Opinion" section. The question is posed "Would not the producers establish agreements to maximize production if left to their own vices?" Perhaps they would, but that is not the point.

Assume a Unit composed of four leases. Three of the leases have a royalty rate of 20% and the fourth has a royalty rate of 12.5%. Where do you think industry "left to its own vices" will allocate the majority of the oil? Tract allocation is an essential and important role in unitization. Further, the crucial staff to determine equitable allocation are the very geologists being "privatized" in section (2). The state is not a merely "facilitator" as stated in the report, it is an OWNER of a percentage of the resource and as such must act to protect its interest.

(6) Lease Administration/Royalty Accounting

There is significant concern on the part of lessees about the use of confidential reported data and especially in the case of confidential economic and market data. With the implementation of the new royalty reporting standards, more of the price (value per bbl) data has been requested to be held confidential by the lessees.

There is a significant liability should confidential data be leaked to non-authorized entities. Lessees look upon the state as the guardian of the data provided, and would probably raise concerns about the access to such data by any outside companies. Should such work and analysis be farmed out to a private company, bonds should be required to cover those liabilities in the case of inappropriate uses of confidential data.

The other observation is that Royalty Accounting is very complex. The new automated system provides tremendous support for tracking many of the complexities. Even so, efficiencies can be provided through a stable work force that retains historical knowledge about the requirements and procedures associated with the multitude of lessees, leases, units and royalty valuation formulas.

Fees are also in place to reimburse the state where inefficiencies are due to non-responsive lessees. If a lessee fails to provide required information in a timely fashion, which in turn increases the state's administrative costs, administrative fees can be charged to cover situations where the lessee impacts the administrative burden beyond the normal daily expected costs.

Automation of many of the procedures to administer accounting of royalties for the state are increasing all the time. Will a private firm support these systems so audits can be performed in an efficient way?

This makes no sense to us. There is no cost to the state to have the benefit of an in-house auditor for federal issues. Production from some North Slope federal properties will start as early as next year (Northstar) and will continue in the years following (Liberty, NPRA). The "reasoning" stated in the report certainly does not outweigh the obvious benefits of having a close working relation between state and federal auditors. Moreover, it is unlikely the federal government would approve outsourcing this position. If we don't get their approval then the funding for the position is lost.

In conclusion, while privatization may make good sense in some situations (as in "privatizing" SOME parts of our Best Interest Findings) it certainly cannot be applied without careful scrutiny by knowledgeable people. Destroying the symbiosis that has been developed in this division over a number of years to fulfill some broad policy objective simply is without merit. It is particularly objectionable if there are, in fact, no benefits—monetary or otherwise.

We appreciate the author's summary conclusion that "The overall budget of the Oil & Gas BRU is not excessive considering the revenue it provides for the state". We agree, and in addition to providing revenue we also provide a number of highly technical services at much lower than industry cost. We also appreciate and agree with the author when he talks about the uncertainties created by the BP-Amoco—ARCO merger. One thing that is certain—the amount of work this division will need to do will increase dramatically over the next year or so.

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5 FERRY SYSTEM – Docks and Harbors

1 STATE EQUIPMENT FLEET – Working Capital Fund

2 M&O ROADS AND AIRPORTS

3 M&O BUILDING MAINTENANCE AND FACILITIES

4 JOINT AGREEMENTS

Please return this to FAX# 269-0223 by no later than Tuesday, August 10, 1999.

Thanks,
Marco

I would be willing to serve on two of the Subcommittees. Thank you for your time

J S Ashton

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4 JOINT AGREEMENTS

Please return this to FAX# 269-0223 by no later than Tuesday, August 10, 1999.

Thanks,
Marco

LEGISLATIVE TELECONFERENCE NETWORK

SIGN-IN SHEET

SPONSOR: Commission on Privatization

SUBJECT: Subcmte. ~~Admin~~ DOT

START/END TIME: 10:00 am **DATE:** 8-13-99

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August 6, 1999

Mr. Bruce Botello
Attorney General
State of Alaska
Juneau, Alaska 99811

Dear Attorney General Botello:

As you know, Governor Knowles recently signed into law Chapter 61, SLA 1999, which establishes the Commission on Privatization and Delivery of Government Services. Public and legislative members of the Commission have been appointed and the Commission has conducted an initial organizational meeting.

The legislation requires that the Commission examine a number of aspects of the delivery of services to the public and make recommendations designed to provide for the more efficient and effective delivery of those services, including the transfer of functions to entities outside of government. The legislation also calls for a review state contracting policy and procedures, including competitive bidding procedures;

Chapter 61 SLA 1999 also provides for the formation of advisory councils to assist the Commission in carrying out the tasks assigned by law. I have been appointed by the Commission to chair the Subcommittee to examine the Department of Law.

The Department of Law is somewhat unique among State agencies insofar as a significant number of matters have been assigned to outside counsel over the years.

To assist the Subcommittee in making a quick start on our tasks, we would appreciate a summary of the following information for the past six years:

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October 4, 1999

Mark Johnson, Chairperson
Legislative Subcommittee
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Dear Mr. Johnson:

This letter is being written due to the fact that I may not be available for the meeting which is scheduled to take place on October 7, 1999. Might you please circulate this letter to the other committee members?

I wish to memorialize some thoughts and concerns which I currently have.

I believe that procurement is a major issue to be considered by the Privatization Subcommittee. Issues involving procurement should include not only the "pay for play" issues regarding campaign donations, but expanding that concept to include non-economic payment by various individuals or firms to members of administrations. For example, one may find that close personal friendships exist. One may also find that political support was given in the form of endorsement ads or activity to an individual's campaign. Other types of support which did not show up in the economic arena may also exist. All of these matters should be disclosed during any procurement process.

A second issue to be considered, as discussed on September 30, 1999, is that there is a natural friction between having the Department of Law monitor outside contractors, cost control, and selection of contractors. Needless to say, there are concerns which I have expressed that State employees, for bureaucratic reasons, may wish to make outside contractors look non-economically beneficial in order to justify continuing in-house work. One can accomplish this objective by allowing large bills to go through unchallenged, thus justifying the argument that it is cheaper to do litigation internally. This is why an outside bill review company is necessary - to provide impartiality of billing review.

An outside audit company also removes much of the possibility of any political patronage being utilized to secure payment of the bills in the event that a law firm has received an assignment from the Department of Law. For example, if Attorney

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Murphy	Tom	Koniag Edu Dept, Exec Dir	562-9093		562-9023	kei@alaska.net			AK	
Owen	Marvin	Pastor, First Baptist Church	279-8481		279-6315	mowen@alaska.net			AK	
Prosser	William	Cook Inlet Region Inc.	274-8638		263-5182	ponell@ciri.com			AK	
Walters	Jeff	FEA exec. Dir; school teacher	456-4435		456-2159	fea@alaska.net	P.O. Box 82708	FBKS	AK	99708
Williams	Bonnie	UofA retiree; SD Budget Review	455-6652		455-6852	bonniewilms@mosquitonet.com	P.O. Box 82812	FBKS	AK	99708
DOE Support Staff:										
Rehfeld	Karen	Education Support Services	465-3452		465-8650	Karen_Rehfeld@eed.state.ak.us	801 W. 10th St., Suite 200	Juneau	AK	99801-1894
Thompson	Barbara	Teaching & Learning Support	465-8727		465-3398	Barbara_Thompson@educ.state.ak.us	801 W. 10th St., Suite 200	Juneau	AK	99801-1894
Spackman	Hal	Mt. Edgecumbe	966-2201		966-2442	Hal_Spackman@mte.educ.state.ak.us	1330 Seward Ave	Sitka	AK	99835
Harrell	Dick	AVTEC	224-3322		224-6680	dick_harrell@eed.state.ak.us	P.O. Box 889	Seward	AK	99664

Annette here's an updated list.

FISH AND GAME Subcommittee
Contact Information Sheet

Name: Sue Aspelund

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Email: cdfu@ptialaska.net

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Cordova, AK 99574

269-0223

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Attn: Marko

Duncon Fields
4022 Cliffside Dr.
Kodiak, Ak. 99615

Ph. 907-486-8835
486-6393
Fax. - 907-486-8836

dfields@ptialaska.net

Contact through U.F.A. 907-586-2280
through Sept. 1999.

Identify Issues: Please mail Packet
to me at P.O. Box 88
Larsen Bay, Ak
99624

- Radio telephone Contact @
907-847-2230

- Conference Call Cut off 1:25 p.m.
Could not Re-establish contact.

- Please also mail Mtg. notes.

Thank You

Jim

MEMORANDUM
Department of Natural Resources

State of Alaska
Office of the Commissioner

TO: Commission on Privatization

DATE: December 1, 1999

FILE NO:

TELEPHONE NO: 269-8431

FROM: Marty Rutherford
Deputy Commissioner

SUBJECT: Report of Subcommittee on Privatization of DNR

Attached is the Department of Natural Resources (DNR) response to the Privatization Report on DNR. The format of this document is similar to that provided to the full Commission on Privatization from the DNR Subcommittee, in that it is divided into division/section responses to the division/section reports.

The attachments speak to the details of the comments and recommendations. However, there is one item I would like to note in this cover memo. Throughout the DNR Subcommittee Report are various budget detail. Some of that detail is an accurate reflection of what is in the FY2000 budget, which runs from July 1, 1999 through June 30, 2000, and some of it is not. Recognizing that the budget documents are difficult to use I strongly recommended to the DNR Subcommittee that they work closely with DNR's division managers to understand the documents they were being asked to analyze by their subcommittee chair. When that close coordination did not occur, the Subcommittee Report occasionally reflects detail which is inaccurate and misleading. For that reason I would like to work closely with your staff as you develop your final Commission Report so that I might identify and clarify budget confusions.

Finally, I would like to apologize that I was not available at your initial meeting on November 18th to review the DNR Subcommittee Report. Because our subcommittee chair was out of the country I was unaware that the full Commission was reviewing the DNR Report until the evening of November 17th and at that time I was traveling to Fairbanks and Juneau.

I look forward to working with you and your staff as you prepare your final recommendations.

Attachments

RESPONSE TO PRIVATIZATION REPORT ON RECORDER'S OFFICE

Sadly, the privatization report pertaining to the Recorder's Office is fraught with inaccuracies, incomplete information and adverse personal opinions by the disgruntled former contractor who prepared and presented the report. It is important to state that the preparer of the privatization report did not contact any Recorder's Office manager or other DNR official to confirm statements in the report nor to discuss the proposed recommendations. DNR is hopeful that the legislature and the public will be able to see through the biased nature of this report and recognize the true value of the services provided by the Recorder's Office/UCC component.

The Recorder's Office component is fully funded by program receipts and routinely generates more than $1 million in excess of its requisite operating funding annually. In FY99 this excess approached $2.5 million. It is hard to understand why the state would even consider privatizing a money-making program such as this when the state is in such dire need of revenues.

Implementation of the internal indexing system has been beneficial for both the Recorder's Office staff and for the public. The new system offers many new tools and efficiencies that were not available on the prior system operated by a private contractor. Further, the component has the ability to seek continual improvements in the system as needed and can get timely responses to such requests, something that it was unable to achieve while the system was operated by a private contractor under a no cost agreement.

The "History" section of the report seems irrelevant to the issue of privatization. What it does convey is the immense conflict of interest represented by a private vendor who wants to recover the operation of a system for his own purposes. The sole source agreement with Motznik Computer Services expired in June 1996, when the contractor failed to meet the conditions previously agreed to for extension of the agreement. In April 1997, the contractor stated that the processing would not be provided beyond July 1, 1997, unless the state began paying for the service and substantially changed its data entry procedures. Soon thereafter, the House Labor and Commerce Committee instructed the department to resume negotiations with that vendor, and a one-year extension was reached. At about the same time, the Legislature appropriated $50.0 for the in-house Recorder's Office indexing system in SLA97, CH100, Sec. 82, P54, line 22. When the agreement with MCS again expired in 1998, DNR was ready to transition to the new system that the legislature had authorized the previous year.

The transition to the new system occurred in January 1999. For the first time in a very long time, our employees felt they were in control of their daily work. They do not have to worry about losing a lengthy document that took many hours to input (a frequent occurrence under the old system), as the new system enables them to save their work in progress. The many operational and data entry efficiencies offered by the new system have enabled staff to keep pace with the daily work and to minimize the incessant backlogs incurred under the prior system. Further, the new system enables the public to

get the information much sooner than before, and corrections to data show up immediately (rather than up to six months later as under the prior system).

One of our frequent customers had this to say about the new system: "The state's new system is superior to Motznik's slow and expensive system ($1.25 per minute) because data can now be searched by recording district, document type and date. These features alone save me about 95% of the time I would normally spend searching the Motznik system."

RESPONSE TO RECOMMENDATION 1

The FY00 CIP request for Y2K funding was submitted in good faith on the best available information at the time. DOA expressed Y2K issues for the SNA network and told agencies they needed to migrate to the Wide Area Network (WAN). Increased costs would occur for agencies that chose not to migrate. Later, however, DOA clarified that there was no Y2K issue driving the SNA to WAN conversion. DNR withdrew its request as soon as it received the updated information.

The Recorder's Office received Revised Program funding for two front-line staff at the height of the refinance activity in FY94. When the high volumes tapered off in the years following FY94, they remained well above volumes in the early 1990's when staffing levels were higher. There was no excess staffing, but rather a continued need to address the incoming workload under an indexing system that was cumbersome and difficult to use.

Recording offices process and film much documentation that is never reported in the page count statistics for recorded documents (i.e. plat attachments, UCC attachments, etc.) The fact is that the component filmed and processed more than 560,000 pages in FY99. Less than 380,000 pages were filmed in FY94.

RESPONSE TO RECOMMENDATION 2

The informational letters distributed by the State Recorder were designed to inform the user groups about potential adverse impacts of budget reductions. Our managers believe they have an obligation to keep the public informed of possible impacts. There would be overwhelming negative response from the public if offices were closed or otherwise impacted and the public was not informed.

RESPONSE TO RECOMMENDATION 3

The report states that the processing was provided for 12 years "at no cost to the state". Because the contractor was not compensated by the state, the system was not maintained with current technology and did not meet the needs of the public. You get what you pay for! The state did seek other vendors who would be interested in providing the system at no cost. Responses indicated this would only be possible if the state would provide them with an exclusive license to market the data or meet other unreasonable requirements.

We suggest our customers be asked the question whether the system is serving their needs. The current system is meeting our internal and customer needs far better than the prior system did.

RESPONSE TO RECOMMENDATION 4

Contracting out the entire recorder's office process is an unrealistic suggestion. The state would be relinquishing a revenue-generating program at a time when revenues are critical to state operation. Further, the original historic records of Alaska should never be placed into private hands. The registry process is rightly a governmental role and the government should not abandon this responsibility. The suggestion that a title company could perform this role would result in a massive conflict of interest issue.

RESPONSE TO RECOMMENDATION 5

In order to protect the integrity of the original permanent record, the archival film should never be used for duplicating. The component contracts out for film services it does not have the capability of providing. Fiche duplication is an in-house service that has been provided by the component for many years.

RESPONSE TO RECOMMENDATION 6

Document policing is not a role that should be played by recording staff. In fact, AS 40.17.035 mandates that recorders "may not consider whether the contents of a document are legally sufficient to achieve the purpose of the document." The responsibility to prepare documents correctly is on the party preparing those documents, not on the recording staff. Recording staff examine documents for compliance with minimum acceptance criteria only. Legal descriptions are not required on documents, but are indexed if they are present.

Benefits of New DNR System	Problems with Motznik System
Y2K compliant	Was not Y2K compliant
Significantly Faster Response Time	Slow Response Time
Indexing of documents kept current	Routine Backlog of Data Entry
99% or better system availability	Frequent down time
Unlimited Indexing Capability	No capacity for indexing large documents (>999 lines)
Corrections applied immediately.	Long Delays in applying corrections to documents, up to 6 months
Ability to save partially indexed document	No ability to save partially indexed document
No loss of long documents.	Common to lose lengthy documents before completed, work is lost
Ability to share work on large document, supports simultaneous data entry per specific rules	Large documents entered under temp id, programmer work to merge pieces.
Ability to view verified and unverified	Customers could not see unverified documents
No delay in viewing, view after entered	Overnight delay to view verified documents
No loss of documents	Some documents dropped or lost
Automatic Line Sequencing	Manual typing of line numbers
Abbreviations expanded to full name	Required extensive knowledge of abbreviations
Efficient data entry software and procedures	Data entry was labor intensive
Expanded customer options for searching at district level.	Limited search ability at the district level
- Search by district	- Not available
- Search by date	- Not available
- Search by document type	- Not available
- Search by book and page	- Not available
- Search by plat number statewide	- Not available

ERIK HANSEN
Geologist / Land Status Specialist
P.O. Box 97 • Ester, Alaska 99725 • Phone (907) 479-2195

March 16, 1999

Commissioner John Shively
Department of Natural Resources,
Juneau, AK 99801

NEW COMPUTERIZED RECORDER/UCC INDEX SYSTEM.

I have been in the Alaskan mining industry for almost 30 years as a geologist and land man, and I have spent thousands of hours researching mining documents at the State's recorder's offices.

I am writing this letter primarily to express my appreciation for the new computerized index system now available to the public at a number of state offices. This system was created by the Department of Natural Resources and implemented on January 4, 1999, and it is far superior to the previously available Motznik (privately owned) system.

The state's new system is superior to Motznik's slow and expensive system ($1.25 per minute) because data can now be searched by recording district, document type, and date. These features alone save me about 95% of the time I would normally spend searching the Motznik system.

It is my hope that the virtual monopoly by Motznik Computer Services has come to an end and that this important public data base can now freely be made available to the public. Ideally, the data should be made available free on the Internet, however, as a subscriber ($500/year) and frequent user of the State's LAS system I would be glad to pay an extra fee just to be able to access this system at my home office. For some reason, private subscribers to the State's LAS system are still specifically barred from accessing the new Recorder's Office System.

I would appreciate if you help making the new system available to private subscribers, and I would also be very interested in knowing who in the Administration decided to block this data base from public access and why? Could it be that the monopoly is not quite broken yet?

Sincerely,





Edward J. Palmer & Associates
Registered Land Surveyor

April 28, 1999

The Anchorage Times
P.O.Box 100040
Anchorage, Alaska
To: The Editors

Concerning your editorial about the new State Recorder's Office computerized record retrieval system Vs Motznik Computer Service's "free" computer system.

The only reason Motznik's computer service was free was so he can sell the Recorder's Office data through his system to subscribers on-line. The data is input into his system by State Recorder's Office personnel on a daily basis; his system simply sorts the data and stores it. He does nothing more than maintain the computers.

I have been a user of Motznik's computer system in the Palmer Recorder's Office and have complained about that system since the first day I used it. Motznik's computer system is old and very slow and is poorly set up to retrieve data and presents the info in a manner that makes it difficult to find what I need. I was very unsatisfied with Motznik's computer system. The Palmer Recorder's Office was aware of the problems with that system and contrary to what you printed they were not satisfied with what Motznik was providing. I was told by them that Motznik refused to upgrade or change his system and in my opinion that left the Recorder's Office little option but to go it on their own.

I have used the new system in the Recorder's Office in Palmer and have found it to be an excellent replacement for Motznik's system. The new system is very fast with data retrieval and best of all it presents the all the available data in a manner which makes it much easier to find what I need. With Motznik's system I had to look in four or five different places to ensure I hadn't missed anything. With this new system all the available data is presented in one easy to scroll through screen. In fact now I can find in five minutes what used to take one-half hour to one hour to find and am sure I've found all the data to be found in the system.

I think the State's investment in the new system is well worth the money involved. My congratulations to Sharon Young and the State Recorder's Office for a job well done and for having the guts to do what's right for us, the end users of all the data archived by the State. They've done a good job with this new system.

I think you were dead wrong in your editorial and ought to re-think your position on this matter. I think the money invested in this system was well worth the price. Furthermore, I think the State can provide (for a fee, of course) the same on-line service to subscribers that Motznik provided. And to your complaint that this is getting into the field of private enterprise you can squelch that by remembering that Motznik had his chance to upgrade his system and refused. There are other options too: let the State farm the system out to private enterprise to run, for a fee.

Yours truly,

Edward J. Palmer, R.L.S.

P. O. Box 746 - Talkeetna, Alaska 99676 - Phone & Fax (907) 733-1697
Member Alaska Society of Professional Land Surveyors

MEMORANDUM State of Alaska

Department of Natural Resources
Division of Mining, Land and Water

Tele: (907) 269-8600
Fax: (907) 563-1853
E-mail: bobl@dnr.state.ak.us

November 21, 1999

To: Marty Rutherford
Deputy Commissioner

From: Bob Loeffler
Director

Subject: Privatization Recommendations.

Recommendations for Mining and Water Components

The analysis of the Mining, Geologic, and Water Development Component analyzed the wrong budget. That is, it indicated that the FY 98 budget for the component was $31.6 million and the FY 99 budget was $21.5 million. This isn't our budget. I do not know whose it was. Just to review a few examples, my staff did not spend $9.5 million on travel in FY 98; nor did we spend $331,378 on room rental. I do not know whose budget these recommend are made on, but they are not made after analyzing anything related to the old Division of Mining and Water Management.

Recommendations for Land Development Component

The subcommittee recommendations included the following.

1. Marketing of land disposals. "The marketing of land disposals...could be accomplished by a private company for a fixed fee or commission."

   Response: Marketing land disposals requires very little staff time by the department. Costs are basically printing and mailing. Thus, there is very little opportunity to save funds by privatizing this function. While significantly greater marketing could be accomplished by the private section, this would increase exposure of the program but would cost significantly more. Thus, privatizing marketing is not an cost-saving measure.

2. Appraisal and Survey of land for lease or sale. "There may be opportunities for privatization in the appraisal and surveying of land for lease or sale. The division has already undertaken to contract some of the lease appraisals to private entities. At this time only a portion of the land for disposal requires a state funded survey (i.e., a lease applicant must pay for his or her own survey). Depending on cost effectiveness and the perceived necessity for review, privatization in this area could be expanded."

Response: We are please that the analysis recognized DNR's efforts in this area. Most appraisal and survey at this time is accomplished by private parties. We will look for other opportunities use private firms for this as cost-effective opportunities arise.

3. Customer Service – Dissemination of information to the public via web sites. The report recognizes that we should leverage technology and make increased use of web sites to disseminate information.

   Response: We agree.

Response to Privatization Subcommittee November 22, 1999

Agricultural Revolving Loan Fund (ARLF)

The Audit Report issued on ARLF in March of 1998, control number 10-4557-98, was favorable towards the current operations of the ARLF. It did give recommendations, most of which were agreed to and have either been implemented or are in the process of being implemented.

The facts and observations listed by the committee warrant the following comments:

1. Most of the projects fell short of their goals--Various factors led up to the difficulties with the large projects attempted in the 1980s; however, those were through the efforts of the Agricultural Action Council and not the ARLF. ARLF inherited those problem accounts after the Agricultural Action Council was disbanded. The Division has moved past these project problems. Agricultural production has shown steady, moderate growth in the past decade.
2. Success in increased vegetable production may have occurred without ARLF--this is speculative, given that some of the most consistent and reliable borrowers with ARLF are larger producers of lettuce, potatoes, and carrots. A borrower in the Delta region has financed his carrot operation through ARLF and serves the interior market as well as breaking through in the export market to Taiwan this year.
3. Barley export is no longer the focus of the Delta project; in fact, the area has a healthy diversity of agricultural enterprises. However, barley is still a viable product, which is grown and utilized within Alaska for dairy ration and other animal feed.
4. The ARLF cash balance is not falling at the rate projected in the audit, and because of conservative management and sale of assets is actually higher, at $6,776 million at the start of FY2000. ARLF direct expenses have been exceeded by income by $275,000 over the past four years.
5. There are still significant assets to dispose of, indicating the cash balance decline may not be as drastic as forecasted, delaying the need for a large infusion of funds.
6. We agree that Division of Agriculture functions besides ARLF should be funded with General Funds.
7. Since the audit report we have been aggressive in collection on bad loans and court judgements. Currently a full-time attorney works on these cases.
8. Recent disposals of ARLF assets (agricultural lands) have exceeded appraisals in outcry auctions. We agree that vegetation re-growth is not a positive development and will be minimized through disposals of land within two years.

9. Most private banks do not participate in agricultural lending because they lack knowledge of it and see it as too great of a risk. Federal programs are lenders of last resort and ARRC is undercapitalized.

Suggestions:

1. Private lending institutions have not shown an interest in agricultural lending nor do they have experience or expertise.
2. Is it government's role to assist banks in generating profits, especially when the intent of ARLF is to assist agricultural development.
3. We agree the non-ARLF division programs should be funded with general funds.
4. We have made significant progress on bad loans and judgements and by late 1999 will determine whether some cases can be contracted to private collection agencies.
5. We are currently pursuing an aggressive sale schedule to dispose of these properties.
6. Until general funds for division functions are restored, this action would essentially cease all state agricultural functions, many of which are statutory.

Division of Agriculture Functions
[(Land Management, Inspection and Marketing, Plant Materials Center (PMC)]

1. We agree we have numerous duties, many legislatively mandated.
2. We agree with this partial list of services the division provides.
3. We concur; however, note that the seasonal employees at the PMC are not included in this number.
4. This is true; our federal inspections are a good example as well as our land sales programs.
5. This is correct.
6. This is essentially correct also.
7. We appreciate this observation.
8. We will continue to look for efficiencies.
9. Our limited general funds come from these land sales in the form of program receipts from interest generated on the sales.

We cannot ignore the fact that at this point ARLF and the rest of Division of Agriculture functions are interrelated and interdependent and that connection does not seen to be recognized in these two reports, as evidenced by extremely different conclusions.

MEMORANDUM

State of Alaska

Department of Natural Resources
Division of Forestry

Central Office

TO: Marty Rutherford

DATE: November 22, 1999

FILE NO:

TELEPHONE NO.: 265-3379

FROM: Jeff Jahnke
State Forester

SUBJECT: Privatization Report

Privatization Report -- Resource Management Response

Comments on Summary

- Small sales. We appreciate the recognition that we are adequately meeting the demands of small operators. In southeast Alaska, this is our main niche given the limited amount of state-owned forest land. Throughout the state, support to local operators is one of our goals.
- Large sales. The report asserts that the state doesn't offer enough large sales to allow major investments in new and expanded forest operations, but notes that the value-added sale program (under AS 38.05.123) may help. DOF is indeed using .123 to offer larger sales in Southeast and Interior Alaska, and can use the program for appropriate proposals in southcentral as well. However, the state owns little of the forested land in SE Alaska, and can provide only limited long-term support to major processors. There may be more opportunity for expansion in southcentral and Interior Alaska, if there is demand for under utilized species, particularly low-quality hardwoods. Large sales should only be offered if we can continue to support small local operations as well.
- Forest Management Agreements. The state does not support Forest Management Agreements. State land is public land managed for multiple use and sustainability of all renewable resources, and the track record of multiple use management by private firms is weak. The history of large, long-term contracts on public land elsewhere in the U.S. and Canada raises serious questions about their long-term economic and environmental desirability.

Comments on Suggestions

1. DOF provides appropriate detail on management costs. State forests are managed for multiple use and sustained yield of renewable resources, not solely for economic

returns for timber. Therefore, the state bears different costs than private forest managers.

2. Fire management and forest resource management are intertwined, and one of the Division's goals is to better integrate the programs. Staff have responsibilities in both programs, and separating the budgets is counterproductive.
3. We appreciate increased flexibility in timber sale options. However, our ability to offer 20-year sales is limited by the amount and type of forest land in state ownership, and by obligations to offer sales in a range of sizes to support a variety of operations.

Comments on Fire Suppression:

Comments on Summary:

The section concerning the Division's Fire Management Program was quite complementary and reinforced our belief that our efforts to continually improve the program are having a positive effect. It was quite pleasant to hear an opinion from the private sector that we are doing some things right in state government. Mr. Tasker made two recommendations for consideration at the end of his report. I would like to address those recommendations in detail:

Comments on Recommendations:

1. More extensive use of the internet. The Division utilizes the internet for the posting of fire status and information as Mr. Tasker mentions. We also have a website that has a great deal of information on it concerning a lot of the Division's activities. We are always looking for additional ways to use the "net" as it is quite cost effective and is accessible not only to the public, but also all of our employees and cooperators.

2. More support for the Tanana Hotshot fire fighting crew. I am assuming that Mr. Tasker means the Tazlina Hotshots in his recommendation. The Tazlina's have become a very successful semi-private crew. We call them semi-private because they are a private crew until they are hired as emergency firefighters (making them temporary state employees) and dispatched to a fire. The Division provides training and logistical support to the crew in an effort to keep them ready for immediate fire dispatch. The Division also has the authority to hire the crew as non-emergency EFF to work on a variety of non-fire related activities. Funding to payroll the crew on non-fire projects comes from cooperating agencies such as the BLM and Municipality of Anchorage. One way to support the crew would be to increase the authorization level on the amount of money the Division can receive from cooperating agencies.

Alaska Division of Parks and Outdoor Recreation
Response to Privatization Report

The Alaska Division of Parks and Outdoor Recreation recognizes the benefits of contracting certain units of the state park system for private operation. Since 1995, 11 units have been contracted including two historical sites (Rika's Roadhouse and House of Wickersham), one trail system (Juneau/Perseverance), one visitor/nature center (Eagle River in Chugach State Park) and seven campgrounds (Montana Creek, Porcupine Creek, Dry Creek, Little Tonsina, Squirrel Creek, Blueberry, and Liberty Falls). Three additional sites are planned for 2000.

The existing contract operations are not fully privatized operations. The Division of Parks retains primary responsibility for major maintenance. The cash flow is too low to expect a private operator to fund daily operations and maintenance and also have the ability to invest in reducing decades of deferred maintenance. The Alaska State Park system has identified $35 million in deferred maintenance needs. The revenue projections identified in the report are roughly the same figure as Parks currently spends to operate those same facilities. This simply leaves no extra funds for large deferred maintenance projects. Only if the deferred maintenance backlog is reduced could park units truly be privatized.

Two issues recognized by Parks in its contracting to date were also identified by the privatization committee. Many park units are not economical to individually contract. The privatization report refers to "bundling" park units to make a more economic package for a potential operator. This strategy is currently employed in over half of the campgrounds contracted to date. Parks "clusters" our units together to make an acceptable economic package.

The second issue relates to the camping pass. Based on past experience when park camping passes were not required to be honored at contracted park units, the Division of Parks implemented a policy requiring that park camping passes must be honored at park units operated by private contractor. The public confusion and resulting camper anger when they were not honored was horrific and resulted in a black eye for the state. Recognizing that this requirement costs private operators revenue, State Parks is already implementing one of the recommendations of the committee by canceling the non-resident camping pass beginning in the 2000 camping season.

The viability of a massive privatization move, as suggested in the privatization report, is based on a cancellation of the resident camping pass. Revenue from nightly campground fees and camping pass sales in the four park areas identified in the report totaled almost $700,000 in FY98. The report calculates potential revenue of $1.2 million from the same campgrounds if no pass were available. The $500,000 difference is caused not by commercial RV pass sales, as suggested in the report, but by the 3,500 Alaskans who purchase a resident camping pass. This is a benefit that Alaskans are very keen on and

the political fallout of canceling this program, as suggested in the report, could be very high. As such, we have not considered canceling the camping pass for Alaskan residents.

Parks also agrees with another of the strategies suggested in the privatization report, that all campgrounds must have an onsite presence. The report suggests that this can only be efficiently achieved with paid staff. We disagree. Parks has a vibrant and successful volunteer program where volunteer campground hosts are recruited, trained, paid a small stipend, and put to work in our campgrounds doing exactly the same tasks the report suggests as only possible with a paid staff. Parks is currently providing most of these services with volunteers.

One service we do not currently provide is reservations. We were evaluating a reservation system for the Kenai Peninsula when we doubled the price of the non-resident camping pass three years ago. The resulting drop in non-resident pass purchases and subsequent drop in non-resident visitation left more campsites open for Alaskans. Complaints dropped off significantly. With the complete cancellation of the non-resident camping pass next summer, we anticipate even more campsites will be available for Alaskans. This would alleviate the expense of a reservation system and the probable ill will caused by having Alaskans call an out-of-state phone bank to make an Alaskan reservation.

Alaska Division of Oil & Gas
Response to Privatization Report

Reasons why privatization of certain areas of the Division of Oil and gas is not in Alaska's best interest:

Note: The numbers in brackets (#) refer to numbered sections in the report and the Bold section names correspond to those in the report.

(2) Resource Evaluation. Although the report correctly notes that privatizing the resource section would cause inefficiencies, likely raise not decrease costs, and create conflicts of interest it still concludes that "Amount Potential for Privatization" is $200,000. Except for mentioning "potential leverage of outside knowledge" this privatization amount is not explained. What exactly is being privatized? Following are some comments appropriate to this section, whatever the intent of the report:

- **The Resource Evaluation relies on confidential information regarding exploration and development plans and proposals provided by the private sector. There would be a natural reluctance by operators to reveal such information to a private contractor. The data collected and used is confidential. If a private firm handles the confidential data how will it be protected? Won't the private firm need to set up groups almost identical to the division's existing groups to do the same work? The Resource Evaluation section deals almost exclusively with proprietary confidential data supplied by permittees under stringent protective rules. Industry would not be willing to deal with an out-sourced contractor.**

- **The public data would end up in the hands of <u>only</u> one private party. Presently access to public data is not controlled or manipulated by a for-profit entity. Who will maintain the existing public info on the department's digital databases?**

- **In leasing, permitting and unitization decisions there is a negotiated balancing of economic and environmental benefits and costs. It is not appropriate for a private for-profit firm to make these decisions. Will the private firm have the engineers, geologists, geophysicists, lawyers, and technicians to do the job correctly?**

- Determinations of what is or what is not in the state's best interest would end up in private hands. What is to prevent them from looking out for their own best interests and profit? Can the commissioner contract away his statutory obligation to make decisions in the state's best interest? Will another state, federal or local agency be willing to negotiate with a private firm who now represents DNR's interests?

- Appeals—who will defend/support the appeal and who will the appeal be made to?

- Fees and revenue - we seriously question whether money will be saved. The private firm will have to replicate or even increase staff relative to the division to maintain the same expertise. How will the two entities interact and can they form the believed synergies?

(3) **Leasing/Tech Support**

Areawide leasing and exploration licensing—the report completely confuses the two programs and misstates the effect of the added programs. We are doing more, not less. We are now offering more acres than ever before, and we are offering these acres in regularly scheduled sales each year. The statement in the report "the Oil & Gas Development unit has had one major change in recent years that required adjustments in how they complete new development" (emphasis ours) has no meaning that we can decipher.

In addition, the results of the current outsourcing of the best interest finding for the Copper River area are less than satisfactory. Hopefully, the outsourcing process and work product/performance of the contractor can be improved.

The reason we issue a Five Year Leasing Program report is because it is required by law —AS 38.05.180(b). It is issued every OTHER year (at the beginning of each new Legislature).

(4) Revenue Development

As explained below, we see no benefit, either in service or cost, provided by an out-of-state consultant. We agree the opinion that outsourcing may lead to increased costs.

Revenue Development expertise needs to be maintained in-house

1. Royalty settlement agreements, TAPS settlements, lease contracts, and other agreements made with industry are numerous, complex and arcane. Outside consultants are unlikely to have the expertise on hand and would have to make a considerable investment to develop this knowledge.

2. Issues arise abruptly and outside the control of the division. In order to successfully anticipate the state's need for timely analysis, outside consultants would have to be retained on an ad-hoc basis with little opportunity for any real savings.

3. The division must retain a sufficient staff to preserve the division's institutional memory. Without an institutional memory the state would pay dearly each time it hired a consultant and had to educate him on the complex issues with which we deal routinely.

4. In a practical sense, the division has already privatized. When very important and potentially costly disputes arise, the division relies on outside consultants. Through our representation by the Department of Law, expert economists, lawyers, and analysts are hired to conduct the research and support the state's position in these situations. The small staff in the Revenue Development acts as an informed buyer for the state when these services are hired. This staff also collaborates with the outside consultants by contributing its unique expertise.

5. The various settlements and contracts with industry are often intertwined. Sometimes trade-offs are made in one agreement based on the trade-offs made in previous agreements. Sometimes the state's interests in an agreement are affirmed in later agreements. Outside consultants hired on a case-by-case basis cannot represent the state's best interest without this knowledge.

6. In every issue where Revenue Development participates in the division's decision making, confidential data is acquired from industry. Providing this data to outside consultants creates a potential security lapse.

7. The division may also be severely restricted in what data may be revealed to its consultants, e.g., data received from one lessee may be relevant in determining the best interests of the state in an issue involving another lessee. Sharing these data with an outside consultant is probably illegal.

(5) **Units** Although privatization of the Units section is not contemplated in this report there are some very serious misconceptions put forward in the "General Opinion" section. The question is posed "Would not the producers establish agreements to maximize production if left to their own vices?" Perhaps they would, but that is not the point.

Assume a Unit composed of four leases. Three of the leases have a royalty rate of 20% and the fourth has a royalty rate of 12.5%. Where do you think industry "left to its own vices" will allocate the majority of the oil? Tract allocation is an essential and important role in unitization. Further, the crucial staff to determine equitable allocation are the very geologists being "privatized" in section (2). The state is not a merely "facilitator" as stated in the report, it is an OWNER of a percentage of the resource and as such must act to protect its interest.

(6) Lease Administration/Royalty Accounting

There is significant concern on the part of lessees about the use of confidential reported data and especially in the case of confidential economic and market data. With the implementation of the new royalty reporting standards, more of the price (value per bbl) data has been requested to be held confidential by the lessees.

There is a significant liability should confidential data be leaked to non-authorized entities. Lessees look upon the state as the guardian of the data provided, and would probably raise concerns about the access to such data by any outside companies. Should such work and analysis be farmed out to a private company, bonds should be required to cover those liabilities in the case of inappropriate uses of confidential data.

The other observation is that Royalty Accounting is very complex. The new automated system provides tremendous support for tracking many of the complexities. Even so, efficiencies can be provided through a stable work force that retains historical knowledge about the requirements and procedures associated with the multitude of lessees, leases, units and royalty valuation formulas.

Fees are also in place to reimburse the state where inefficiencies are due to non-responsive lessees. If a lessee fails to provide required information in a timely fashion, which in turn increases the state's administrative costs, administrative fees can be charged to cover situations where the lessee impacts the administrative burden beyond the normal daily expected costs.

Automation of many of the procedures to administer accounting of royalties for the state are increasing all the time. Will a private firm support these systems so audits can be performed in an efficient way?

This makes no sense to us. There is no cost to the state to have the benefit of an in-house auditor for federal issues. Production from some North Slope federal properties will start as early as next year (Northstar) and will continue in the years following (Liberty, NPRA). The "reasoning" stated in the report certainly does not outweigh the obvious benefits of having a close working relation between state and federal auditors. Moreover, it is unlikely the federal government would approve outsourcing this position. If we don't get their approval then the funding for the position is lost.

In conclusion, while privatization may make good sense in some situations (as in "privatizing" SOME parts of our Best Interest Findings) it certainly cannot be applied without careful scrutiny by knowledgeable people. Destroying the symbiosis that has been developed in this division over a number of years to fulfill some broad policy objective simply is without merit. It is particularly objectionable if there are, in fact, no benefits—monetary or otherwise.

We appreciate the author's summary conclusion that "The overall budget of the Oil & Gas BRU is not excessive considering the revenue it provides for the state". We agree, and in addition to providing revenue we also provide a number of highly technical services at much lower than industry cost. We also appreciate and agree with the author when he talks about the uncertainties created by the BP-Amoco—ARCO merger. One thing that is certain—the amount of work this division will need to do will increase dramatically over the next year or so.

COMMISSION ON PRIVATIZATION AND DELIVERY OF GOVERNMENT SERVICES

ALASKA RAILROAD CORPORATION

SUBCOMMITTEE REPORT

NOVEMBER 30, 1999

Subcommittee Members: Lee Wareham, Chair;
David Cottrell, Gene Furman, John Haxby, Don Schroer, Samantha Wilson,

PRIVATIZATION SUBCOMMITTEE ON THE ALASKA RAILROAD

PROPOSED RECOMMENDATIONS

1. **The legislature shall cause to be issued a Request for Proposals for the purchase or operating lease of the Alaska Railroad.** The RFP may offer for sale the ROW and shall offer for sale other land, equipment and assets necessary for operation of the railroad. The RFP shall exclude land that is not necessary for rail operations.

- The ARRC shall pay all costs associated with the preparation and advertising of the RFP.

- The RFP shall be advertised for not less than six months.

- The RFP shall be prepared in accordance with statute by qualified counsel and with oversight and guidance by an RFP Preparation Committee composed of:
  An appointee of the Governor
  An appointee of the Senate President
  An appointee of the House Speaker
  An appointee employed by the Alaska Railroad
  A private sector appointee of the Governor
  A private sector appointee of the Senate President
  A private sector appointee of the House Speaker

- Criteria for mandatory acceptance of a respondent's proposal shall be included in the RFP to ensure that a proposal will be accepted if it meets the prescribed criteria.

- The RFP shall stipulate that if the purchaser ceases operation of the railroad then ownership and control shall revert to the State of Alaska.

- The sale shall be effected with existing labor contracts in place.

- Proposers must stipulate that railroad employee pension benefits will be maintained on par with existing plans.

- ARRC shall make all operating and financial information available to prospective respondents.

- The evaluation team shall be identified in the proposal and subject to confirmation by the Legislature. They shall be required to avoid ex parte communication with prospective proposers. Not more than one of five evaluators shall be employed ARRC. Not more than one member shall be from outside Alaska.

- The evaluation team's selection of a successful proposer, if any, shall be ratified by the legislature.

2. **The Alaska Railroad shall offer to sell land presently leased to leaseholders to the leaseholders for fair market value.**

3. **The Alaska Railroad shall offer to sell for fair market value all land that is non-essential to railroad operations and is non-revenue generating.**

4. **The Alaska Railroad shall implement a vegetation control program including use of herbicides.** (See Appendix A)

Appendix A

Alaska Railroad Response to Information Request on Herbicides dated November 24, 1999

ALASKA RAILROAD CORPORATION SUBCOMMITTEE

COMMISSION ON PRIVATIZATION AND DELIVERY OF GOVERNMENT SERVICES

Re: Information Request on Herbicides
Date: Wed, 24 Nov 1999 11:45:24 -0900
From:"Ernie Piper" <PIPERE@akrr.com>
To: <Marco_Pignalberi@legis.state.ak.us>

1. The direct cost for vegetation control on the Alaska Railroad is approximately $900,000 for 1999, which includes burning, hot water, brush cutting, and use of other on-track equipment such as a spreader, undercutter, or ballast regulator. Some of the maintenance work is not entirely attributable to uncontrolled vegeation, but it is substantially a result of fouled ballast. This also includes fines levied against us by the FRA for failing to adequately control vegetation. The alternative methods aren't good
enough.

2. To repair the cumulative cost of damage caused by 15 years of uncontrolled vegetation would require a minimum of $1.2 million in work.

3. In all states (with the possible exception of Vermont, which is changing its policies) right of way vegetation control is largely achieved with the use of herbicides of varying kinds. Most states with large-scale agriculture industries have more substantial regulatory control of herbicide use, which actually makes it easier for companies to use it. Because of fairly complete public oversight, the public is more comfortable with herbicide use. Alaska has a very limited regulatory program, and, ironically, I think this gets in the way of both state and private agencies when they consider using herbicides. Again, ironically, there is more Roundup sold on a May weekend at Eagle Hardware than would have been used in the entire 1999 ARRC program, had we been allowed to proceed.

4. So-called "alternative" methods of control do not work, and have been proven not to work not only in Alaska but in other states and provinces as well. People not familiar with the subject put this in the category of, "Well, if we can put a man on the moon, we MUST be able to . . . etc." But the fact is, our space program notwithstanding, no consistently effective non-chemical control has been developed to solve the most pressing problems faced by railroads by vegetation.

5. Mr. Wareham asked if we would net about $2 million more if we were allowed to use herbicides. We would certainly net more, but more on the order of $750,000. The reason is, that if we were able to free up maintenance crews from vegetation control work, we would move them on to other pressing maintenance projects. Where we would save actual money is on direct costs of contracting for ineffective methods year after year. An herbicide program would cost about $120,000 a year, as opposed to the cost of flaming, steaming, hand-pulling, etc.

>>> Marco Pignalberi <Marco_Pignalberi@legis.state.ak.us> 11/22/99 10:09AM >>>
Ernie,

This is Andree McLeod using Marco Pignalberi's e-mail address.
The Alaska Railroad Subcommittee of the Commission on Privatization and Delivery of Government Services would like to make a positive recommendations concerning herbicide use by the railroad.
In support of this recommendation, we would like some backup.
How much money is used for the herbicide project? What are the costs and benefits of the using herbicides? What do they do in other states?
Please include anything that would justify the use of herbicides. Thank you for your prompt attentions to this request
Andree

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

P.O. BOX 25526
JUNEAU, AK 99802-5526
PHONE: (907) 465-4100
FAX: (907) 465-2332

December 3, 1999

Honorable John Cowdery
Co-Chair, Commission on Privatization
Alaska State Legislature
716 West Fourth Avenue, Suite 320
Anchorage, AK 99501-2133

Dear Representative Cowdery:

You requested comments from the Department of Fish and Game on the recommendations on privatization and the delivery of government services prepared for the Commission on Privatization by the Department of Fish and Game subcommittee. Commission staff also invited the department to comment on the issue papers. Since the issue papers provide background to the discussions of specific recommendations, we will include any comments we have on the issue papers within our comments on the respective recommendations.

The department enjoyed a good working relationship with the members of the subcommittee. The subcommittee members were widely dispersed geographically, with members participating telephonically from Ketchikan, Petersburg, Juneau, Cordova, Kodiak, and Anchorage.

The department especially appreciates the effort of those members who volunteered to research specific issues and prepare background papers on their findings. In addition to preparing background papers, the subcommittee chairman also prepared the initial draft of the subcommittee report. After review by subcommittee members, the department formatted the report and submitted it to the commission.

The department would also like to express its appreciation to Representative Tom Brice for his participation in the subcommittee deliberations.

Department Response to Recommendations:
In reviewing the recommendations and the issue papers, it is important to remember that only the recommendations represent the views of the subcommittee. The issue papers were the products of individuals and presented to the subcommittee for its deliberation. The subcommittee discussed the issue papers, but did not always endorse the proposals as presented in the issue papers.

A: Other State and National Privatization Efforts Offer Suggestions
The recommendations in this item resulted from the research done by Patrick Simpson and presented by him in the first issue paper. His investigations revealed reservations among those with whom he spoke about the wholesale privatizing of stock assessment and related research. The department has similar reservations.

The department does contract some stock assessment work, and will continue to do so where it is appropriate and cost effective. However, stock assessment activities and actual management of fisheries, for example, need to be closely coordinated. It is also important that stock assessment work be conducted in a consistent manner from year to year. The individuals with whom Mr. Simpson spoke expressed similar concerns.

The department is unable to comment on the use of task order contracts, because more information is required to properly evaluate their costs and benefits. We are also uncertain as to whether the current state procurement code would permit the use of task order contracts.

The suggestion for a long-range research plan was a frequent subject of discussion within the subcommittee. This item is also addressed in recommendation B and in two other issue papers.

The department agrees that planning is an important ingredient in conducting successful and useful research, and department research is guided by planning on a project-by-project basis. However, stable funding is necessary to develop and carry out a long-term research plan. Stable funding is something the department, especially the Division of Commercial Fisheries, has lacked for many years. The funding for developing and implementing such a plan would have to be taken from ongoing fisheries management and stock assessment programs. This is something the subcommittee adamantly opposed. The department also objects to this.

B: Research Plans and Partnerships
This recommendation was partially addressed in our comments on the previous recommendation. The proposal described in the issue paper entitled, "Cooperation with Other Research Institutions for Improved Stock Assessment, Modeling, Biological/Ecological Knowledge, and Management" generated a lot of discussion during

several subcommittee meetings. It was the most controversial idea the subcommittee considered and a majority of the subcommittee opposed it. The department was also opposed.

This issue paper describes an alternative process for coordinating, prioritizing, planning, and conducting marine research. The department has no disagreement about the need to coordinate, plan, and involve the public in the development of marine research proposals. But in the department's view, existing processes are adequate, or can be improved, and there is no real need to invent a new process.

The department is also concerned, as were many of the subcommittee members, that in a time of budget reductions for fisheries management, this proposal is likely to divert money from management to research planning and ecosystem modeling. While ecosystem modeling may be an appealing idea, it is also a task that is complex, difficult, and therefore expensive. The marine environment is complex and dynamic. It is entirely possible to spend large sums of money, like the amount estimated in the issue paper, and still be unable to accurately model the marine environment.

The recommendation approved by the subcommittee urges increased communication, coordination, and planning between various entities that will be performing marine research in Alaska with the increased funding coming from the Federal government and the EVOS endowment. The department supports this recommendation. The department also supports the recommendations to utilize new technologies in fisheries management and forecasting and to provide opportunities for local involvement in the scientific work leading to decisions in fisheries management.

C: Funding for New Fishery Development Opportunities

The department concurs with the subcommittee recommendation that the legislature earmark funds provided by industry for fishery research and management to the purposes intended by the industry. This new funding should be supplemental to existing budgets and should not be viewed as an opportunity to reduce state general fund support for existing fishery management and research.

D: Electronic Data Collection and Reporting

The department concurs with these subcommittee recommendations.

E: License Sales

In the department's view, the opportunities to raise revenues from the sale of "collector edition art prints" of duck stamps or king salmon stamps are limited and problematic. Existing art collector duck stamp sales are declining in many states, including Alaska. We know of no successful fish stamp art print collector program. The market for these products is limited and has been saturated by the many states producing art prints. While

the department will continue to look at any opportunity to generate program receipts like the art print program, we do not believe this is a viable option.

F: Stream Watch Programs

The department has no comment on this recommendation other than to note tnat it is really more of an issue for consideration by the Department of Public Safety than for ADF&G.

G: Further Use of Private Vessels/Chartering Out of Department Research Vessels

The department is interested in the most cost-effective use of its research vessels. The department already contracts extensively with private vessels for conducting research as well as making its own vessels available for contract by other agencies. Potential enhancements to existing efforts will be welcomed and carefully evaluated.

H: Improve Enforcement by Use of Retired Officers/Better Fine and Settlement Policies

No comment. Defer to Department of Public Safety.

I: Contract Out Management of Protected Areas Where Economic Savings Would Be Achieved

The department does not support the privatization of developed wildlife viewing facilities on state wildlife sanctuaries or refuges. There are only 3 programs where the department charges the public to participate in wildlife viewing programs and little state money is spent on these programs. They are: Round Island (walrus viewing), McNeil River (bear viewing), and Pack Creek (bear viewing). Access to Creamers Field in Fairbanks and Potter Marsh in Anchorage is free. The later programs are primarily for education, not wildlife viewing.

Refuges, critical habitat areas, and sanctuaries are open to the public at minimal or no cost. Fees, where they exist, are set at levels to recoup operating expenses for specific facilities. McNeil River and Pack Creek are essentially self-supporting. The Division of Wildlife Conservation subsidizes the program at Round Island, because personnel at Round Island also collect valuable research data.

The benefit of this approach is that it provides the maximum public access. To interest a private operator, fees would have to be increased, probably substantially. High fees will discourage public use.

Many private businesses are already making money from state refuges and sanctuaries. Business like air taxi operators, charter boats, and eco-tours bring clients to these special areas. Secondary businesses like hotels, restaurants, retail stores and outfitters also benefit.

It is the department's view that the management of these public resources should be conducted by a public agency to insure that the viewing programs are conducted consistently with the purposes for which the areas were established. There may be opportunities to lease or permit private facilities in some portions of these areas as long as it can be done in a manner that is consistent with the purposes for which the areas were established.

This concludes the department's comments. We appreciate the opportunity to comment and hope our comments are useful. Please contact my office if you have any questions.

Sincerely,

Frank Rue
Commissioner

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

ALASKA ENERGY AUTHORITY

480 WEST TUDOR ANCHORAGE, ALASKA 99503 907 / 269-3000 FAX 907 / 269-3044

MEMORANDUM

To: Marco Pignalberi
Commission on Privatization and Delivery of Government Services

From: Keith Laufer
Financial and Legal Affairs Manager
Alaska Industrial Development and Export Authority

Subject: Alaska Intertie

Date: December 1, 1999

This memorandum is provided in response to the request related to the Alaska Intertie made by Senator Ward at the Commission on Privatization meeting on November 30, 1999.

The Alaska Energy Authority (AEA) owns the Alaska Intertie (the Intertie"). An approximately 26-mile segment of transmission line is owned by Matanuska Electric Association and, by agreement, has been incorporated as part of the Intertie. Operation and use of the Intertie is governed by the Alaska Intertie Agreement (the "Intertie Agreement") between AEA (formerly known as the Alaska Power Authority) and the participating utilities.

Under the terms of the Intertie Agreement, the participating utilities are required to pay all Intertie operating, maintenance, repair, renewal and replacement and other costs. The utilities are not required, however, to make any payments to AEA (as a return of capital or otherwise) for use of the Intertie. Accordingly, AEA generates no revenues from its ownership of the Intertie. Any participating utility may terminate its participation in the Intertie upon 48 months notice. AEA may terminate the Intertie Agreement upon 48 months notice but only if it determines that termination is "required to improve Power systems serving the Alaska Railbelt Utilities."

As the operation and use of the Intertie is governed by an existing Agreement which provides no revenue to the owner of the line, we believe it is unlikely that a purchaser could be found that would be willing to pay for this non-revenue producing asset. While it is conceivable that the Intertie or the Intertie corridor could have value for uses other than the transmission of energy (for example telecommunications), currently no one has expressed interest in the Intertie for such uses. Moreover, a legal analysis would be necessary to determine if the rights of way underlying the Intertie allow for such ancillary uses and if so, what rights the participating utilities might have in the benefits derived from any such uses.

If the Commission has additional questions, please feel free to call.

LEGISLATIVE RESEARCH REPORT

NOVEMBER 4, 1999 REPORT NUMBER 00.015

IRS CONFIDENTIALITY REQUIREMENTS AFFECTING PRIVATIZATION OF CHILD SUPPORT ENFORCEMENT

PREPARED BY PATRICIA YOUNG, LEGISLATIVE ANALYST

You wished to know if any U.S. Internal Revenue Service (IRS) rule or regulation on confidentiality precludes the privatization of state child support enforcement efforts. You asked for copies of any such federal provisions.

According to Robert Uhar, Office of Safeguards and Tax Credits with the Internal Revenue Service, nothing in the Internal Revenue Code precludes the possibility of privatization of child support enforcement services.[1] However, federal tax laws limit the IRS information about individuals that state agencies may release: agencies may release only the address, the social security number, and the amount of any tax overpayment that would be applied to past-due support.[2] The tax laws prohibit federal, state, and local child support agencies from disclosing other IRS information, even to private contractors performing child support enforcement services.

Thus, according to Mr. Uhar, states may privatize any enforcement function that can occur without other information supplied by the IRS. Functions such as paternity establishment, locating absent parents, and collections might readily be privatized; determination of assets, on the other hand, would likely prove more difficult.[3] In this regard, however, he notes that the actual source of the information is critical. If the information comes from a source other than the IRS, then it need not be protected. For example, IRS documents contain information on assets such as income from stocks and bonds, other investments, other dividends, interest-bearing accounts,

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[1] Robert Uhar, Office of Safeguards and Tax Credits with the Internal Revenue Service, can be reached at (202) 622-3307.

[2] Confidentiality requirements relating to child support agencies are codified in the Internal Revenue Code at 26 U.S.C. § 6103 (l)(6) and (10), and § 6402 (c). Copies of these sections are attached.

[3] Mr. Uhar suggests that Ms. M. Berumen, disclosure officer for the IRS Pacific Northwest region, would be a helpful resource in developing privatization plans for child support enforcement services. Ms. Berumen may be reached at (206) 220-6078.

and lottery winnings. The IRS releases such documents only to the federal, state, and local child support agencies, and those agencies may not disclose such information. Child support agencies may, however, disclose any asset information they have independently verified.

Donna Bonar, Director of Program Operations with the federal Office of Child Support Enforcement (OCSE), notes that OCSE and the IRS disagree on the meaning of "local child support agency." The IRS considers "local child support agencies" to refer only to governmental agencies, and not to contractors. According to the OSCE, contractors who are subject to the same regulations and restrictions as state agencies may be considered "local child support agencies" and may, therefore, have access to IRS information. Ms. Bonar notes that the issue is currently in dispute, and the Department of Health and Human Services' general counsel has recently sent a brief to the IRS general counsel arguing, in effect, that the IRS is not in a position to define the child support laws.[4]

Despite that significant disagreement between the agencies, Ms. Bonar concurs with Mr. Uhar in regard to what information is protected from disclosure. They likewise concur in regard to enforcement functions that states might readily privatize.[5]

I hope you find this information useful. Please let us know if you have questions or need further information.

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[4] We requested a copy of the brief and will forward it to you when it is available.

[5] Donna Bonar, Director of Program Operations with the federal Office of Child Support Enforcement, may be reached at (202) 401-9271. Although we refer to certain functions being "readily privatized," we acknowledge that in actuality, a state child support enforcement agency might have considerable difficulty segregating confidential IRS information into files that are inaccessible to contractors.

Attachment A

Internal Revenue Code, 26 U.S.C. § 6103 (l)(6) and (10), and § 6402 (c)

Title 26 U.S.C. § 6103 (l)(6) Disclosure of return information to Federal, State, and local child support enforcement agencies

(A) Return information from Internal Revenue Service
The Secretary may, upon written request, disclose to the appropriate Federal, State, or local child support enforcement agency -

(i) available return information from the master files of the Internal Revenue Service relating to the social security account number (or numbers, if the individual involved has more than one such number), address, filing status, amounts and nature of income, and the number of dependents reported on any return filed by, or with respect to, any individual with respect to whom child support obligations are sought to be established or enforced pursuant to the provisions of part D of title IV of the Social Security Act and with respect to any individual to whom such support obligations are owing, and

(ii) available return information reflected on any return filed by, or with respect to, any individual described in clause (i) relating to the amount of such individual's gross income (as defined in section 61) or consisting of the names and addresses of payors of such income and the names of any dependents reported on such return, but only if such return information is not reasonably available from any other source.

(B) Disclosure to certain agents
The following information disclosed to any child support enforcement agency under subparagraph (A) with respect to any individual with respect to whom child support obligations are sought to be established or enforced may be disclosed by such agency to any agent of such agency which is under contract with such agency to carry out the purposes described in subparagraph (C):

(i) The address and social security account number (or numbers) of such individual.

(Ii) The amount of any reduction under section 6402(c) (relating to offset of past-due support against overpayments) in any overpayment otherwise payable to such individual.

(C) Restriction on disclosure
Information may be disclosed under this paragraph only for purposes of, and to the extent necessary in, establishing and collecting child support obligations from, and locating, individuals owing such obligations.

Title 26 U.S.C. § 6103 (l)(10) Disclosure of certain information to agencies requesting a reduction under section 6402(c) or 6402(d)

(A) Return information from Internal Revenue Service
The Secretary may, upon receiving a written request, disclose to officers and employees of any agency seeking a reduction under subsection (c) or (d) of section 6402 and to officers and employees of the Department of the Treasury in connection with such reduction -

(i) taxpayer identity information with respect to the taxpayer against whom such a reduction was made or not made

and with respect to any other person filing a joint return with such taxpayer,
(ii) the fact that a reduction has been made or has not been made under such subsection with respect to such taxpayer,
(iii) the amount of such reduction,
(iv) whether such taxpayer filed a joint return, and
(v) the fact that a payment was made (and the amount of the payment) to the spouse of the taxpayer on the basis of a joint return.

(B) Restriction on use of disclosed information
Any officers and employees of an agency receiving return information under subparagraph (A) shall use such information only for the purposes of, and to the extent necessary in, establishing appropriate agency records, locating any person with respect to whom a reduction under subsection (c) or (d) of section 6402 is sought for purposes of collecting the debt with respect to which the reduction is sought, or in the defense of any litigation or administrative procedure ensuing from a reduction made under subsection (c) or (d) of section 6402.

Title 26 U.S.C. § 6402 (c). Offset of past-due support against overpayments

The amount of any overpayment to be refunded to the person making the overpayment shall be reduced by the amount of any past-due support (as defined in section 464(c) of the Social Security Act) owed by that person of which the Secretary has been notified by a State in accordance with section 464 of the Social Security Act. The Secretary shall remit the amount by which the overpayment is so reduced to the State collecting such support and notify the person making the overpayment that so much of the overpayment as was necessary to satisfy his obligation for past-due support has been paid to the State. A reduction under this subsection shall be applied first to satisfy any past-due support which has been assigned to the State under section 402(a)(26) [1] or 471(a)(17) of the Social Security Act, and shall be applied to satisfy any other past-due support after any other reductions allowed by law (but before a credit against future liability for an internal revenue tax) have been made. This subsection shall be applied to an overpayment prior to its being credited to a person's future liability for an internal revenue tax.

CHI Energy, Inc.

680 Washington Boulevard, 5th Floor
Stamford, CT 06901
(203) 425-8850
Fax (203) 425-8880

Christopher Hocker
Vice President
Business Development and Corporate Affairs

VIA FAX

December 7, 1999

Hon. John Cowdery
Alaska Commission on Privatization

Subject: Proposal to Purchase Four Dam Pool

Dear Rep. Cowdery:

Last spring, I had the privilege of testifying before the House Finance Committee regarding our proposed purchase of the Four Dam Pool for a cash price in excess of $80 million.

As indicated by the attached November 16 letter from the president of CHI Energy, Inc., we remain keenly interested in purchasing the Four Dam Pool assets. We are willing to discuss this purchase with any and all affected parties in order to fashion a possible "public-private" ownership arrangement that would achieve a true "win-win" for local, public, and private interests.

Please don't hesitate to contact Mr. Stern or me if you have any questions.

Sincerely,

Christopher Hocker

CHI Energy, Inc.

Edward M. Stern
President and
Chief Operating Officer

680 Washington Boulevard, 5th Floor
Stamford, CT 06901
(203) 425-8850
Fax (203) 425-8880

November 16, 1999

Mr. D. Randy Simmons
Executive Director
Alaska Energy Authority
480 West Tudor Road
Anchorage, AK 99503

Subject: Proposal to Purchase Four Dam Pool Hydroelectric Assets

Dear Mr. Simmons:

Earlier this year, in testimony before the House Finance Committee, CHI Energy, Inc. ("CHI") expressed our interest in purchasing the hydroelectric assets of the Four Dam Pool. We have since been following the State's fiscal situation with considerable interest.

The purpose of this letter is to restate and confirm that CHI is prepared to make a cash payment in excess of $80 million for the Four Dam Pool assets. This proposal includes the following key points:

1. Our valuation is preliminary, but we believe it is conservative. A final valuation would be based on several factors, including: (i) the condition of the assets; (ii) operating costs; (iii) financing terms; and (iv) power purchase rates. These and other material aspects of the transaction would be determined in negotiations with the Authority and other stakeholders, and confirmed during due diligence.

2. The agreed-upon purchase price would be paid in full at closing. The purchase would be financed using conventional private sector sources, with no additional financial liability to be borne by the State.

3. We believe closing could take place 60 to 90 days after execution of a binding, duly authorized Purchase and Sale Agreement between the Authority and CHI.

4. CHI will, if requested, share ownership of the assets with the communities currently served by the Four Dam Pool, with their ownership shares to be proportional to their usage of Pool capacity. The communities' ownership shares can be structured to require little or no cash payment, although such a structure would likely reduce the purchase price of the assets.

5. The existing Power Sales Agreement between the Authority and the communities need not be materially changed. Any such change would be only if deemed in the best interests of all parties.

6. The existing day-to-day operation and maintenance arrangements for the assets need not be materially changed.

7. CHI's purchase of the assets would relieve the Authority of ownership and operational risk you currently bear.

As noted above, the final purchase price for the assets would depend on a wide range of factors that would be addressed in the course of discussions with you and other affected parties. Nevertheless, we are confident that the price will not only be substantial, but also that the transaction and cash payment can be accomplished quickly.

By way of background, CHI is the largest independent (non-utility affiliated) owner and operator of hydroelectric facilities in the U.S., with a portfolio of 79 plants ranging between 1 MW and 25 MW in size. Established in 1986, our principal owners are Morgan Stanley & Co., Inc. and UBS, AG. We have both the management expertise and the financial experience and resources to complete the purchase of the Four Dam Pool assets.

For references on CHI, please contact Michael J. Petrick, Managing Director at Morgan Stanley, at (212) 761-1558.

To discuss this proposal further, please contact me at (203) 425-8862, or Christopher Hocker, Vice President, at (203) 425-8864.

We look forward to your response.

Very truly yours,

Edward M. Stern

EMS:afc

cc: House Finance Committee Members

ems99113.doc

Study of privatizing state services thoroughly flawed

By DON VALESKO

COMPASS

The Commission on Privatization and Delivery of Government Services produced a product which, if followed, will create a dream situation for some politicians who want to reward their political cronies with lucrative state contracts.

Certain political insiders, and a few legislators, are claiming a slick conquest in the reworking of state government because of the 400-plus subcommittee recommendations and the 20 full commission recommendations to the Legislature and the governor. This is not what the public deserves. In fact, when one logically views the process used to arrive at such claims, it becomes quite clear that most of the recommendations, if enacted, would create a system of political cronyism where a few would profit at the expense of Alaska taxpayers.

Subcommittees were told by the commission's staff to look for ways to privatize and were told not to do anything else. State services were proposed for privatization regardless of whether the state could do the function cheaper than by private outsourcing. For example: One subcommittee participant, who happened to be a contractor doing water inspections, put forth an idea to the commission that would have increased those inspection costs by 50 percent over what the state charges now.

There's also the situation where one of the sub-subcommittees had its report pulled and was disbanded by the co-chair and staff of the commission. A new hand-picked sub-subcommittee was appointed, and a substitute report was submitted to the main subcommittee. During this process a call complaining about the report was made by one of the co-chairs to the employer of the original sub-subcommittee. This is not what one would call a fair process or an honest public-inspired report.

Repeatedly I asked subcommittee members if they had studied the existing privatization practices of the state and had determined whether they were a success or failure. They all said they had not done so. I also asked why they were proposing to privatize a certain function — which they reported as a dismal failure (i.e. Corrections' Inmate Education) — when it was already privatized. They said, "It seemed like a good idea to us."

Moreover, I asked many times why they had not tried to determine if the state could save money by performing a certain service. I was told they were instructed to only look at ways to privatize.

Even though the full commission used less than 5 percent of the subcommittees' work in its final report, people are going full steam ahead with a number of recommendations that were rejected by the full commission. This is what certain politicians are now doing in Juneau. They are picking the recommendations that fit their purpose and parading them around as if they were fully thought-out, commission-sanctioned ideas.

From the beginning to the end, I saw conflicts of interest on the commission level and on the subcommittee level. Contractors and business representatives wanting to profit by delivering state services were afforded every opportunity to get their ideas included in the much-heralded recommendations, while a number of state employee representatives were denied access to parts of the process. As a result, those employees who provide the services were not able to be a part of the subcommittee process in a substantial and positive way.

In the beginning phase of the process, we on the commission were lectured by the federal government officials on how they took up the task of privatization. They stressed that it took a long time to do it right. They also put forth, as an important facet, the fact that they did everything they could to insure existing workers weren't swept under the rug in a rush to let contractors make a quick profit.

Instead of following such advice, our commission took this advice and swept it under the rug.

Some politicians are about to take some of the commission (or subcommittee) recommendations and use them as stalking horses for their pet legislation. There are a lot of companies outside and inside Alaska who will claim they can provide state services as good as the state or even better while still making a profit. The question I ask here is: Can we afford to hurt working families in Alaska, most likely lose quality in the services we now receive, just so some politicians can reward their political cronies with lucrative state contracts?

Don Valesko, a 45-year resident of Alaska, is the business manager of Public Employees Local 71. He was appointed by the Alaska State AFL-CIO to serve as the only labor representative on the Privatization Commission.

Recommendation from Kathryn Thomas

For several months volunteer citizens have reviewed the functions and activities of various departments in state government. I've participated in many, many meetings, where I've heard the common concerns and questions from each subcommittee as they attempted to complete their reports. How much does it cost to perform the work or provide the service? How are the overhead and management costs allocated?? All subcommittees reflected a level of discomfort in not having good financial information available to them, something that they commonly use as management tools in the daily operations of the business world.

Their second concern was that their effort and time would be in vain. Will Alaska have the ability to recognize, acknowledge or implement their recommendations?

These are the same concerns that we have on the Commission; Was the budget and cost information adequate for us to make well informed recommendations? How do we go forward and complete our report? What is our strategy?

As I have given considerable thought to the concerns of the subcommittee members, and to my own concerns as a Commissioner, I have focused on the development of a future strategy for privatization, outsourcing, managed competition and efficient, economical delivery of services. I am forwarding to the Commission the following recommendation.

Recommendation for Alaskan Operational Governance Commission

To continue fully exploring the efficient, economical delivery of government services, Alaska must establish by statute an **Alaskan Operational Governance Commission** (AOGC) with the authority to recommend, audit and update an operational plan for the efficient, economical delivery of government services. This commission should have the legal authority, responsibility and accountability to conduct its mission for a minimum ten-year period so that its initial recommendations and enhancements can be implemented fully.

The AOGC's mission would be to recommend operational governmental changes to provide Alaska efficient, economical governmental services for action by the Legislature and the Administration. All public and private sector Alaskan Stakeholders shall be accountable for the successful implementation of this governance process.

The AOGC operational plan should include the following key goals:

Recommend the state government financial system require clearly understandable activity based cost accounting

Recommend the state government financial system require a budget performance reporting format

Make recommendations of management and overhead expenditures for activity components,

Implement performance standard for government service activities, competitions and contracts,

Establish a process to determine which services are appropriate for possible out sourcing and/or private sector competition.

Review information and reports of the Independent audit committee to adjust programs and activities.

Review and consider the information and recommendations in the reports of the subcommittees provide to the Privatization Commission.

The development and implementation of a financial system that provides citizens the ability to fully understand and acknowledge the state's cost of providing a service is essential. Timely accurate cost information will allow for orderly public and private sector competition to provide government services. The operational financial system must provide a method to insure that this essential governmental function is transparent to change in the Legislature and the Administrative.

The plan shall allow for managed competition to provide any service or activity by providing opportunity for government employees to competitively bid against the private sector vendors.

Suggestions for Strategy Formulation

Identify Service Cost

An accounting system with the uniform accounting codes and consistent application must be implemented for all state government departments. It should provide for allocation of general and overhead costs; management costs, services, labor and materials.

External audit controls should be in place to assure individual and departmental responsibility for accurate attribution of costs.

Besides the compilation of a statutory budget, this system should provide Alaskans two major additional components, an **Activity Based Cost System (ABC)** and a **Popular Budget**. These components should be reported as management tools to department managers, the Administration, the Legislature, and the public. Alaskans then can make valid value judgements and "apples to apples" comparison of public and private costs.

Activity Based Cost System

Activity Based Costing will include the *total* cost per service or program: labor, materials, vehicles, equipment, services, management expense and overhead as well as the *unit* cost of a service or activity in a program. The cost of a service becomes clear and publicly available.

ABC provide the tools to:

- Illustrate benefits for increasing or eliminating activities.
- Establish accurate user fees.
- Provide information for performance measures and budgeting.
- Compare unit costs between regions for the similar facility, function or service.
- Adopt best management practices in all regions for the similar facility, function or service
- Identify the overhead and management cost for any activity or service.
- Comparing contracting out to performing an activity in house.

- Provide an accurate evaluation of state overhead and management costs for state employee union to compete with private vendors in managed competition programs.

Popular Budget

The creation of a **Popular Budget** that will provide a clear concise explanation of expenditures and the costs of items to be accomplished which any citizen can understand,

This budget should describe the goal of each department and their mission with a clear acknowledgment of the external outcome that the public expects; a clear description of performance activities; including the costs of performing the activity and the method of the performance measurement.

With a Popular Budget taxpayers can specify & influence what activities should be prioritized.

It Invites and facilitates debate over whether the activities are appropriate to pursue.

There is a better assessment of operations by managers, legislatures, and Governors; because activities are better defined and outlined.

It increases the accountability of everyone involved, including the public.

Independent Government Audit Committee

An Independent Government Audit Committee of which the members possess the expertise in accounting, auditing and financial statements, selected from outside the government, should be charged with forming annual audit work plan; with reviewing all internal reports; the accuracy of the methods determining performance standards. This audit committee should then report to the Executive Branch the Legislature and the Alaska Operations Governance Committee.

Establish Performance Standards and Evaluate

Performance Standards should assure a high level of service, identify standards for evaluation of the quality of work and goals for achievement.

Performance can be evaluated by *output*, measuring how much of a service or activity is performed; or by *outcome*, such as efficiency and effectiveness.

Efficiency measures the use of resources, will provide for comparison with others by department, regions or industry. It can also provide a means to evaluate the performance over time.

Effectiveness is the level of satisfaction with the provision of the activity or service. (i.e. is the wait in line to long to receive the service?)

Performance standards will assist in judging contract performance and evaluate the quality of the service by the provider; insuring that the standards are met. It provides the basis for nonperformance penalties.

There should also be a cost to benefit analysis for performance and provision of the service.

Labor Considerations

The Public Employment Relations Act must be amended to ensure that a collective bargaining agreement cannot thwart a legislative directive to explore privatization or to devolve a State function to a political subdivision or to the private sector.

Review of the employee classification system to provide for broad classifications so that managers have flexibility in hiring and compensation; also allowing for a broader range in employee responsibilities.

Administrators and middle line managers should be encouraged to consult with front line employees, actively engaging them in constructing improvements to the performance of activities and potential cost savings in providing the service. Would an Incentive reward program be in order?

Have we ask the workforce itself to redesign it self in ways to increase productivity and reduce costs? That's what they will do if they choose to bid in a managed competition.

Develop a merit system for pay increases tied to job performance. A good means for evaluating performance will be necessary in managed competition contracts.

Preparing for the Proposal

An initiative action should check for cost savings and performance improvements, then identify expectations and contract obligations.

Study and formulate methods for preparing proposals for competitions, which would include an analysis of contract implementation ensuring contract oversight as a standardized process.
<O:P</O:P

Financial and quality results should have internal controls to determine whether the results will be reliable.

Ellen -
Do we learn ... Prevent learn from being done.
" So far we're been successful - "

Senn - "cut Idgt". We're on the rocks.
We need budget plan -

Subject: [Fwd: Request for report]
Date: Sat, 19 Feb 2000 14:22:11 -0900
From: Marco Pignalberi <Marco_Pignalberi@legis.state.ak.us>
To: Annette Deal <Annette_Deal@legis.state.ak.us>

Subject: Request for report
Date: Wed, 09 Feb 2000 14:29:07 -0900
From: Llewellyn Lutchansky <Llewellyn_Lutchansky@legis.state.ak.us>
Organization: Alaska State Legislature
To: marco <Marco_Pignalberi@legis.state.ak.us>

Marco,

Would you please send a Privatization Report to the following persons:
Alaskans for a Just Society
c/o Sylvia Sullivan - President
P.O. box 2684
Valdez, AK 99686

DONE 2-21-00

Also Ms. Sullivan would like to have the names, addesses and fax numbers of the Commissioners, "especially the Executive Director's address (Marco Pignalberi)."

Thanks. I'll drop by her letter later.

Llewellyn

Looking Out For Business...

A report from the Alaska State Chamber of Commerce - The Voice of Alaska Business



The Commission on Privatization and Delivery of Government Services, established by the Legislature at the behest of the Alaska State Chamber of Commerce, has delivered the report on its findings and recommendations to the Governor and the Legislature. The report represents an extraordinary effort on the part of a great many Alaskans. Nearly 300 volunteers worked on 20 different subcommittees over an 18- week period. Most subcommittees had more than 15 members and included at least one member of the state employee unions. Collectively, they convened over 200 meetings in their effort to understand how state government works and how it might work better through privatization.

Subcommittees focused on each department in state government, the University, the legislature and the court system. Additional panels focused on state owned hydroelectric projects, the Alaska Railroad Corporation and the Alaska Housing Finance Corporation. In all 408 recommendations were made by the subcommittees to the Commission.

> *"We have never seen such a prolific contribution by Alaskan citizens to their state government."*
> Co-Chairs, Commission on Privatization and Delivery of Government Services

The volume of work represented by the subcommittee reports is extraordinary and, said Senator Jerry Ward and Representative John Cowdery, co-chairs of the Commission, "We have never seen such a prolific contribution by Alaskan citizens to their state government."

The Commission heard the presentations and read the reports of each subcommittee, but in the time available could not assimilate and debate all information received. So just 20 recommendations, representing a clear consensus among commissioners, were adopted and the remaining corpus of work was recommended for further consideration by the Administration and the Legislature.

The resounding complaint from the majority of subcommittees was that state budget documents are frustrating and incomprehensible to ordinary citizens. They do not reveal the cost of performing state services and the services themselves are not well defined. The structure and format of the budget does not serve the public and should be changed or supplemented to accommodate public interest.

In addition to the call for a better budget format, the Commission concluded that in Alaska, privatization is an especially good idea, reported Marco Pignalberi, Executive Director of the Commission. "After the federal government, State government is the largest owner of Alaska's land and resource wealth. The state owns the Alaska Railroad, the most extensive ferry system in the U.S., all airport gateways into the state, more than 250 rural airports, a fleet of aircraft, fish hatcheries, a variety of laboratories, most docks and harbors, a rocket launch facility, and a dairy. Additionally, the state owns every major hydro-electric dam, the main electrical transmission grid, one eighth of the oil flowing through the pipeline and is the major financier for residential housing and development financing within Alaska. This unique preponderance of government ownership and control inevitably leads to government growth, often at the expense of private sector growth," said Pignalberi.

Legislation which may be forthcoming as a result of the Commission's work would require the executive branch to identify activities that are inherently non-governmental. If any activities are proposed for outsourcing, a competitive procurement process allowing state workers to compete with the private sector would be in place.

The Alaska State Chamber thanks the individuals responsible for the tremendous effort of the Commission. In addition to co-chairing the Commission, Senator Jerry Ward was prime sponsor of the enabling legislation that made the effort possible. Representative John Cowdery, in addition to serving as Commission co-chair, provided his very competent staff, Marco Pignalberi and Annette Deal, to serve as full-time staff to the Commission.

There were so many others, too numerous to mention, who should be recognized. We suggest you read the report, which is available at www.privatizealaska.org or from your local legislative affairs office. Whether or not you agree with the Committee outcome, it was a citizens' effort of which we can all be proud.

Advertisement

COLLECTIONS FUNCTIONS OF THE DEPARTMENT OF LAW
Prepared by Joan Kasson

The Commission on Privatization and the Delivery of Government Services requested additional information on the collection functions performed by the Department of Law. The specific areas identified were agricultural revolving loan collections, student loan collections, and the collection of criminal fines for the court system. The first two types of collections are handled by the Commercial section. The Collections unit in the Collections and Support section handles the collection of criminal fines.

Commercial section:

The Alaska Commission on Post-secondary Education (ACPE) pays for the legal services of approximately two-thirds of an attorney position, and a half-time paraprofessional. The ACPE has unusual administrative powers to collect defaulted Alaska student loans. Those powers provide for an improved administrative process for denial of renewals of occupational licenses, an improved administrative process for permanent fund dividend seizures, and administrative garnishment of wages. The administrative processes permit in-state collections without the need to seek judgments from the court. Computer notices and computer matches are instead used to handle these collections.

The Department of Law primarily advises the commission on procedures and answers legal questions. In addition, the last "warning" letter before a loan goes into default is sent out on Department of Law letterhead in the belief more attention and credence will be given to the letter by borrowers. As a result of this warning letter, the department now fields many more phone calls from borrowers.

The subcommittee on the Department of Natural Resources stated that the collection of ARLF bad loans and court judgments was "almost nonexistent." This is incorrect. The Agricultural Revolving Loan Fund (ARLF) pays for the legal services of one full-time attorney. Collection activities comprise an estimated one-third of that attorney's time. In addition, contract outside counsel are retained, if necessary, when debtors reside outside of Alaska.

Over the last two years, numerous collection judgments have been successfully resolved and delinquent loan payments recovered by the Department of Law without court action. In addition, the department works closely with ARLF loan officers during the application process to minimize the number of bad loans. The department also assists the ARLF and Division of Agriculture on land disposals and protection of state property obtained due to foreclosures and bankruptcies.

In addition to these two collection activities, the Commercial section provides collection-related legal services to the Division of Investments, the Alaska Housing Finance Corporation, and the Employment Security Division of the

Department of Labor. Legal services performed for these agencies and the ARLF, as well as the ACPE to some extent, include converting defaulted loans to a judgment, initiating foreclosures, representing the agencies in bankruptcies, and doing bank sweeps, permanent fund dividend executions, and judgment debtor exams, as appropriate. Assistant attorneys general also represent the agencies in administrative appeals before the Alaska courts.

Experience has shown that using in-house counsel is much more cost efficient than using outside counsel. The FY00 hourly rate for Department of Law Civil Division attorney is $92.49. This rate includes all normal overhead items such as clerical support, data processing, lease space, etc. The overhead portion of the rate also includes any clerical overtime, faxes, copies, telecommunications costs, and postage – items that are often used as cost centers by private law firms, or at a minimum, billed at cost on top of the hourly rate.

The department typically pays from $125 to $200 per hour for the services of private Alaska counsel to handle cases for the state. The rates paid will usually include a discount of ten to twenty percent from any given firm's standard billing rate.

The department also has the advantage of being a statewide firm with offices in the three major cities of the state. Computer networking and faxing court filings, affidavits, and other casework saves the state money. There are also more intangible benefits to having in-house legal staff. Department of Law attorneys work with their client agencies on a daily basis providing advice and assistance to insure consistency in treatment of individuals and reduce the potential for state liability.

As government attorneys, assistant attorneys general will often have other advantages. In dealing with foreign judgments, those in other states, the attorney general's office in that state will often assist Alaska with its collection activities, making the hiring of local outside counsel unnecessary. Sheriff's departments have been known to serve debtors without charge because we are a government agency. These interstate networks developed by having in-house, agency attorneys are invaluable. And in-house attorneys are motivated to resolve cases, not by fees. Their salaries remain the same, no matter how many hours they bill.

Collections unit:

- *Background*

The Collections unit was formed in response to legislative intent language in the FY88 budget. The legislature requested the Department of Law and the Alaska Court System establish a system for collecting unpaid court fines. The language

directed the two agencies to consider all alternatives in developing a plan, including contracting out the service.

The response of the Department of Law was: "In view of the variety of collections to be handled, and the requirement for in-depth knowledge of the many state administrative processes involved, it is the department's recommendation that these collections can be accomplished more effectively in-house. Similar Department of Law collections efforts for certain revolving loan programs, such as the Division of Investments and the Agricultural Revolving Loan Fund, have proven both cost efficient and effective."

A budget increment to establish the Collections unit was requested in the FY89 budget. The increment request described the need for a mechanized system to handle the volume of small debts the unit would handle. The unit was funded by the legislature at the requested amount, and it began with 3,600 cases. In the intervening ten years, the Collections unit caseload has grown to more than 100,000 cases.

- *Current Collections Process*

The Collections unit in the Collections and Support section collects criminal fines, cost of appointed counsel, cost of incarceration, forfeited bonds, civil judgments (including legal fees and costs for state attorneys), and OSHA and APOC penalties.

Collection sources include voluntary payments, garnishment of wages, writs of execution against other assets (bank sweeps), and, the most common source for criminal fines and related costs, permanent fund dividend attachments.

Two paralegals, two legal secretaries, and two administrative clerks staff the Collections unit. The unit is supervised by an attorney, but uses little attorney-provided legal assistance. The collection function is highly automated.

Information on over 100,000 civil and criminal judgments owed to the state is housed on the collections database, an Oracle system located in Anchorage. Judgment information from 66 state courts is provided to the Collections unit and loaded into the database. Using the database, over 20,000 inquiries a year from debtors and from the courts can easily be answered.

The collections database is used to track voluntary payments, to prepare Writs of Execution to obtain court approval to garnish PFDs, to match those who owe debts to the state with those who are eligible for the dividend, and produce a final list of PFD applicants whose dividends will be attached. After the dividend is attached, each individual's record is adjusted to show the payment to their debt, and a receipt is automatically generated. The database is also used to generate refunds, if necessary, and to report to client agencies on payments, *i.e.*, the

Public Defender on cost of appointed counsel payments, and the Department of Corrections on payments toward cost of incarceration.

The automation of the process saves a considerable amount of time and money. For example, when dividend seizure time arrives, the database is used to generate a list of debts for each of four judgment types for every one of the 66 state courts.[1] Each of the 264 lists includes a Writ of Execution for all debts on the list. Because of the number of cases involved and the time limitations inherent in seizing dividends, this process would not be possible without the database.

The table below lists the revenue generated by the Collections unit, in thousands, for each of the past three fiscal years:

	FY97	FY98	FY99
Criminal fines [2]	$790.8	$999.1	$1,330.0
Cost of counsel	$661.3	$751.8	$888.9
Cost of incarceration	$767.9	$624.3	$741.6
Civil judgments [3]	$12.0	$18.4	$49.2
Unposted collections[4]	$46.5	$76.3	$101.4
Total	$2,278.5	$2,469.9	$3,111.1

Actual expenditures to pay for the unit were $198.0 in FY97, $206.7 in FY98, and $210.3 in FY99. The average return over the three-year period was almost $13 for each dollar spent, or average costs were just 8 percent of the total revenues generated by the unit.[5]

As the table above illustrates, criminal fines, cost of appointed counsel, and cost of incarceration represent the bulk of the funds collected by the unit. Between 80 and 90 percent of the amount collected each year comes from PFD attachments, and the remainder from voluntary payments. By definition, people

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[1] The four judgment types include cost of appointed counsel, cost of incarceration, fines established by statute, and forfeited bonds. Sorting by judgment type is necessary because AS 43.23.065 prioritizes the order in which a dividend may be seized, *i.e.*, child support obligations and monies owed to the IRS take precedence over other types of debt, and criminal fines have a higher priority than cost of appointed counsel.

[2] Includes collection of forfeited bonds.

[3] Includes collection of OSHA and APOC penalties.

[4] Payments received during a fiscal year, which cannot be posted to an individual's case before the year changes. For example, if a voluntary payment is made before a judgment is received from the court, the payment cannot be posted to a case. These are reconciled during subsequent years, but recorded as miscellaneous in the year payment was made to avoid duplicate income reporting.

[5] The amount collected from year to year varies depending on a number of factors including: number of judgments transferred by the court system, number and value of voluntary payments, size of the Permanent Fund Dividend, number of defendants who apply for a dividend, number of defendants who are eligible for the dividend (while incarcerated, felons are not eligible), other money owed with a higher statutory authority for dividend seizure (child support, IRS taxes).

receiving court appointed counsel are indigent. And if an individual is in jail, they are not making a large salary, and may have other higher priority obligations as as well, such as child support or restitution. If they are incarcerated for a felony conviction, they will not be getting a dividend to garnish until release. This is generally not a population with a lot of funds at their disposal, and we expect PFDs will continue to be the source of most of the collection revenue generated.

In conclusion, the Department of Law does a cost-effective and efficient job of handling thousands of collections matters for the state in a wide variety of areas. We think it unlikely a private firm would be willing to handle this service for the state at less cost.

MEMORANDUM

State of Alaska
Department of Military & Veterans' Affairs

To: Annette Deal
Legislative Privatization Committee

Date: December 1, 1999

From: Jim Chase
Deputy Commissioner

Phone: 428 6854

E-Mail: <jim_chase@ak-prepared.com>

Subject: Follow-up

Attached is a status data page for the Alaska Military Youth Academy (AMYA). From this you can obtain the historical and projected per graduate cost from the beginning of the program through the classes of SFY2000.

The following is a quote from Governor Knowles during one of his 'state of the children' speeches. "...it costs an average of just over $60,000 for a young person to be placed in Alaska's Youth Corrections facilities. According to 1996 statistics from the Alaska Department of Corrections, it costs about $30,000 to $55,000 a year to keep an adult in prison in Alaska." The message which is relevant to the AMYA is that the state gets a predictable return-on-investment. The monies spent on youth and adult corrections cannot be considered an investment for which you can reap a positive return.

The AMYA has a Memorandum of Agreement (MOA) with the Cook Inlet Native Association for their support of any Alaska Native cadet. We have not explored the capability of the Bureau of Indian Affairs (BIA) to support the AMYA program since the basic funding comes from federal sources that require a state match. Should the BIA have funds, we first would require state authorization to receive the funds and secondly also be liable for providing a state match. These are two issues that would be counterproductive considering the effort which would have to be expended.

I have enclosed Chapter 5 of Alaska Statute Section 26 that speaks to the Military Code of Alaska. In it is described the Alaska National Guard, the Alaska Naval Militia and the Alaska State Militia, (aka the Alaska State Defense Force,(ASDF)) The language throughout this chapter is confusing to say the least. The department is proposing clarifying legislation this session. The department has historically supported the ASDF with an internal annual budget allocation of $25,000. This meager amount supports the 'housekeeping' needs of the force.

Some of their most memorable response efforts in the last few years are:

1. The Miller's Reach Fire.
2. The Western Alaska Fisheries Disaster.
3. The Turnagain Pass Snowmobile Disaster.

The ASDF have recently been trained and are ready for a possible stand-up should the Y2K issue turn into a disaster situation.

Alaska Military Youth Academy

Report on Graduate Compliance and Stipend payments:

In classes 94-2 through 97-1, Cadets received, before graduation, a stipend letter stating very clearly the criteria for being eligible to receive the Stipend. The requirements were simple but direct and stated that the cadet must comply in the following three areas:

1) The Cadet must work or be in school full time
2) The Cadet must have weekly contact with their mentor
3) The Cadet must send in a Post-Residential Quarterly Report

The class of 94-2 averaged 79.5% compliance
The class of 95-1 averaged 82.0% compliance
The class of 95-2 averaged 86.5% compliance
The class of 96-1 averaged 90.0% compliance
The class of 96-2 averaged 85.0% compliance
The Stipend for these classes was $2,200
The class of 97-1 averaged 82.0% compliance (with a $1,200 stipend)
The class of 98-1 is averaging 81% compliance (no stipend letters were provided)
The class of 98-2 is averaging 70% compliance (no stipend letters were provided)
The class of 99-1 is averaging 90.5% compliance ($2,200 stipend letters were provided)
The class of 99-2 just graduated in Sep 99 ($2,200 stipend letters were provided)

Graduation statistics:		State Fiscal Year - Cost:
Class 94-1:	43 graduates	SFY94 - $1,560.7 ($36,295 per graduate)
Class 94-2:	43 graduates	
Class 95-1:	49 graduates	SFY95 - $2,456.6 ($26,695 per graduate)
Class 95-2:	63 graduates	
Class 96-1:	76 graduates	SFY96 - $2,755.8 ($19,820 per graduate)
Class 96-2:	62 graduates	
Class 97-1:	72 graduates	SFY97 - $3,052.6 ($22,776 per graduate)
Class 98-1:	55 graduates	
Class 98-2:	81 graduates	SFY98 - $3,188.4 ($23,441 per graduate)
Class 99-1:	84 graduates	
Class 99-2:	91 graduates	SFY99 - $3,758.5 ($21,474 per graduate)
Total	719 graduates	

Projected for SFY2000

Class 99-3:	122 graduates	
Class 00-1:	100 graduates	SFY00 - $4,336.3 ($19,531 per graduate)

Note:

The $2,200 post-graduation stipends are paid as follows:

- $700 is paid at graduation
- $750 is paid six months after graduation based on compliance
- $750 is paid after 12 months and satisfactory compliance with the requirements

Alaska Military Youth Academy

Report on Graduate Compliance and Stipend payments:

In classes 94-2 through 97-1, Cadets received, before graduation, a stipend letter stating very clearly the criteria for being eligible to receive the Stipend. The requirements were simple but direct and stated that the cadet must comply in the following three areas:

1) The Cadet must work or be in school full time
2) The Cadet must have weekly contact with their mentor
3) The Cadet must send in a Post-Residential Quarterly Report

The class of 94-2 averaged 79.5% compliance
The class of 95-1 averaged 82.0% compliance
The class of 95-2 averaged 86.5% compliance
The class of 96-1 averaged 90.0% compliance
The class of 96-2 averaged 85.0% compliance
The Stipend for these classes was $2,200
The class of 97-1 averaged 82.0% compliance (with a $1,200 stipend)
The class of 98-1 is averaging 81% compliance (no stipend letters were provided)
The class of 98-2 is averaging 70% compliance (no stipend letters were provided)
The class of 99-1 is averaging 90.5% compliance ($2,200 stipend letters were provided)
The class of 99-2 just graduated in Sep 99 ($2,200 stipend letters were provided)

Graduation statistics:		State Fiscal Year - Cost:
Class 94-1:	43 graduates	SFY94 - $1,560.7 ($36,295 per graduate)
Class 94-2:	43 graduates	
Class 95-1:	49 graduates	SFY95 - $2,456.6 ($26,695 per graduate)
Class 95-2:	63 graduates	
Class 96-1:	76 graduates	SFY96 - $2,755.8 ($19,820 per graduate)
Class 96-2:	62 graduates	
Class 97-1:	72 graduates	SFY97 - $3,052.6 ($22,776 per graduate)
Class 98-1:	55 graduates	
Class 98-2:	81 graduates	SFY98 - $3,188.4 ($23,441 per graduate)
Class 99-1:	84 graduates	
Class 99-2:	91 graduates	SFY99 - $3,758.5 ($21,474 per graduate)
Total	719 graduates	

Projected for SFY2000

Class 99-3:	122 graduates	
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Note:

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Chapter 05. Military Code of Alaska.

Section
10. Alaska militia established
20. Exemption from military service
30. Composition of organized militia
50. Authority for organization
60. Control of Alaska National Guard and Alaska Naval Militia
70. Governor may order organized militia into active service
75. Reemployment rights of the organized militia
80. Decision of governor final
90. Proclamations of martial law
100. State militia
110. Governor may order unorganized militia into active service
120. Penalty for failure to obey call
130. Penalty for physician making false certificate
135. Suspension of enforcement of civil liabilities
140. Suits against officers and enlisted persons
150. Not liable for exercise of judgment
160. Appointment, qualifications, and duties of adjutant general
170. Governor's command and instructions exercised through the adjutant general
180. Headquarters staff of Alaska National Guard
190. Administration
200. Officers' qualifications, appointment and tenure
210. Removal of officers
220. Retired list
222. Creation and administration of Alaska National Guard and Alaska Naval Militia retirement system
222. Commencement of participation in system
224. Retirement benefits
226. Earlier service
228. Contributions
228. Accounting and investment
229. Definitions
230. Armories, training sites, and maintenance facilities
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240. Enlisted persons
250. Discharges
260. Pay and allowances
265. Reenlistment bonus
270. Payment of military claims
280. Transportation, subsistence, and supplies
290. Further equipment and armories
295. Educational assistance for enlisted personnel
296. Tuition assistance
298. Definition for AS 26.05.295 and 26.05.296
300. Statement of policy on military justice
310. Military courts for the Alaska militia
320. General court-martial
322. Special court-martial
324. Summary court-martial
326. Appeal from court-martial convictions
330. Expenses of military courts
340. Miscellaneous provisions
350. Short title

Sec. 26.05.010. Alaska militia established. (a) The militia of the state consists of all able-bodied citizens of the United States and all other able-bodied persons who have declared their intention to become citizens of the United States, who reside in the state, who are at least 17 years of age, and who are eligible for military service under the laws of the United States or this state.

(b) The militia is divided into two classes:

(1) the organized militia, consisting of the Alaska National Guard, the Alaska Naval Militia, and the Alaska State Militia, and

(2) the unorganized militia, consisting of all qualified persons available for service but not serving in the organized militia.

(c) The adjutant general may, by regulation, prescribe the maximum age for eligibility in the militia. (§ 2 ch 160 SLA 1955; am § 1 ch 44 SLA 1968; am § 1 ch 141 SLA 1972; am § 1 ch 5 SLA 1987)

NOTES TO DECISIONS

Use of National Guard to execute search warrant. — Under Alaska Const., art. III, § 19, the governor is authorized to use of National Guard to execute the laws, and there is no provision of this chapter that prohibited the use of National Guard soldiers to execute search warrants. Wallace v. State, 938 P.2d 1157 (Alaska Ct. App. 1997).

Collateral references. — 53 Am. Jur. 2d, Military, and Civil Defense, § 1 et seq.; 54 Am. Jur. 2d, Military, and Civil Defense, § 149 et seq.
57 C.J.S., Militia, § 1 et seq.

Validity and construction of state statutes requiring employers to compensate employees for absences occasioned by military service. 8 ALR4th 704.

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employees for absences oc-
es. 8 ALR4th 704.

Sec. 26.05.020. Exemption from military service. The following are exempt from militia service: persons exempt by the laws of the United States, judges of the courts of the state, and members and officers of the state legislature. (§ 3 ch 150 SLA 1955)

Sec. 26.05.030. Composition of organized militia. (a) The Alaska National Guard consists of

(1) members of the militia who have voluntarily enlisted and who, upon original enlistment, are organized, armed, equipped, and federally recognized according to the laws of the United States; and

(2) commissioned officers and warrant officers who are citizens of the United States, having the qualifications prescribed by federal law and regulations, and who are appointed and commissioned or warranted by the governor.

(b) Former members of the regular Army, Navy or Marine Corps under 64 years of age may enlist in the Alaska Militia.

(c) The Alaska Naval Militia consists of units authorized by the governor, organized, equipped, trained, and administered as prescribed by state and federal law and regulation, and manned by personnel who are

(1) members of the United States Naval Reserve or the United States Marine Corps Reserve and

(2) enlisted, appointed, commissioned, or warranted under the laws and regulations of the United States.

(d) The Alaska State Militia consists of units authorized by the governor, and manned by volunteer personnel qualifying under state law and regulation. All State Militia personnel shall be

(1) appointed, commissioned, or warranted, and assigned by the governor or the adjutant general as the governor's designee;

(2) subject to serve on state active duty at the call and by order of the governor

(e) *[Repealed, § 102 ch 127 SLA 1974.]* (§ 4 ch 150 SLA 1955; am § 2 ch 44 SLA 1968; am § 13 ch 141 SLA 1972; am § 102 ch 127 SLA 1974)

Sec. 26.05.040. Ratification and confirmation of existing military forces. [Repealed, § 38 ch 30 SLA 1992.]

Sec. 26.05.050. Authority for organization. The governor as commander in chief may organize units in communities so requesting and specifically provide for organization of at least two scout battalions in the western and northwestern coastal areas and northern Arctic regions of the state, in accordance with special authority of the United States Department of Defense. (§ 6 ch 150 SLA 1955)

Sec. 26.05.060. Control of Alaska National Guard and Alaska Naval Militia. The governor as ex officio commander of the militia of the state has command of the Alaska National Guard and the Alaska Naval Militia while they are not in active federal service. The governor may adopt necessary regulations for them not inconsistent with 48 U.S.C. 473 — 479. Except as otherwise prescribed by those sections, the Alaska National Guard and the Alaska Naval Militia and their members are subject to all federal laws and regulations relating to the National Guard and Naval Militia of the several states and territories and of the United States. (§ 7 ch 150 SLA 1955; am § 1 ch 34 SLA 1973)

Editor's notes. — With regard to 48 U.S.C. 473 — 479, cited in this section, page 11732 of the 1970 edition of the United States Code contains the following: "Sections 21 — 448f of this title, applicable to the Territory of Alaska, are omitted from this title since the scope of this title limits it to general and permanent laws applicable to Territories and Insular Possessions, and Alaska was admitted into the Union as a State on January 3, 1959. See the notes following the heading of this chapter.

"Many of the provisions encompassed by former sections 21 — 448f of this title were enacted by the Legislature of the State of Alaska on February 19, 1959, as part of the Alaska Statutes."

NOTES TO DECISIONS

Application of federal law. — In the absence of any supplementary regulation pursuant to this section or AS 26.05.340, the state has adopted federal law and regulation for administering and managing full-time National Guard personnel; therefore, a member who was involuntarily terminated was not entitled to the protections of the Alaska Personnel Act. State, Dep't of Military & Veterans Affairs v. Bowen, 963 P.2d 888 (Alaska 1998).

Sec. 26.05.070. Governor may order organized militia into active service. In the event of war, disaster, insurrection, rebellion, tumult, catastrophe, invasion, or riot; or if a mob or body of men act together by force with intent to commit a felony or to offer violence to persons or property, or by force and violence to break and resist the laws of the state, or the United States; or in the case of imminent danger of the occurrence of any of these events; or whenever responsible civil authorities fail to preserve law and order, or protect life and property, or the governor believes that failure is imminent, the governor may order the organized militia or any part of it, into active state service to execute the laws and to perform duties in connection with them that the governor considers proper. Whenever any portion of the militia is ordered into active service by the governor, it becomes an additional police force, retaining its separate entity and operating at all times as a military organization under military command, with power to cooperate with but not to supersede the existing civilian law enforcement officers whenever possible, for the re-establishment of law and order and for the protection of life and property. The governor may also order members of the organized militia to active state service, with their consent, for the purpose of training or for full-time duty with the office of the adjutant general. (§ 8 ch 150 SLA 1955)

Sec. 26.05.075. Reemployment rights of the organized militia. (a) An employer shall grant to an employee who is a member of the organized militia a leave of absence to perform active state service under AS 26.05.070.

(b) When an employee is released from a period of active state service under AS 26.05.070 or discharged from hospitalization that arose from active state service, the employee is entitled to return to the employee's former position, or a comparable position, at the pay, seniority, and benefit level the employee would have had if the employee had not been absent as a result of active state service. An employee, other than an employee who has been hospitalized, shall report for work at the beginning of the workday following the last calendar day necessary to travel from the site of active state service to the employee's work site. An employee who has been hospitalized shall report for work at the beginning of the workday following the last calendar day necessary to travel from the hospital or place of recuperation to the employee's work site. If the employee fails to return to work at that time, the employer may impose whatever discipline is provided by the employer's rules of conduct for unexcused absence from work.

(c) If an employee is not qualified to perform the duties of the employee's position as a result of permanent disability sustained because of the employee's active state service but is qualified to perform the duties of another position with the employer, the employer shall offer an employee who requests reemployment the available, vacant position that most closely approximates the pay and benefits of the employee's previous position and that the employee is qualified for and capable of performing. An employee loses the right to reemployment under this subsection unless the employee requests reemployment within 30 days after receiving a statement from the employee's treating physician indicating both that the employee has reached maximum recovery and that the employee is released to return to full-time work.

(d) For employees other than state employees, the Department of Labor shall enforce this section by appropriate regulations. For state employees, the division of personnel in the Department of Administration shall enforce this section. Regulations adopted under

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this section may provide for orders of reinstatement and back pay if appropriate. For employees other than state employees, contested cases arising under this section are to be handled under AS 44.62.330 — 44.62.630. Appeals involving state employees must be made to the personnel board under the procedure set out in the state's personnel rules for grievances.

(e) Notwithstanding (f) of this section, a person aggrieved under this section may bring an action in superior court no sooner than 30 days after giving notice to the Department of Labor, or, in the case of a state employee, to the director of the division of personnel. The action must be brought within two years after the claim arose.

(f) A collective bargaining agreement entered into in the state after the effective date of this Act may not contain provisions contrary to this subsection.

(g) This section does not affect AS 39.20.340 or 39.20.350 governing paid leave and reinstatement of state and local employees for certain military activities. (§ 1 ch 77 SLA 1990)

Sec. 26.05.080. Decision of governor final. Whenever any portion of the militia is ordered to duty by the governor, the decision of the governor in this matter is final. (§ 9 ch 150 SLA 1955)

Sec. 26.05.090. Proclamations of martial law. The governor may proclaim martial law when the public safety requires it in case of rebellion or actual or imminent invasion, and may order all or any part of the organized militia into active state service to enforce the proclamation. The militia shall assume only those functions of civil government specified by the governor, or those that, in the discretion of the militia commander, must be assumed in order to accomplish a specific mission assigned by the governor. Martial law may not continue for longer than 20 days without the approval of a majority of the members of the legislature in joint session. (§ 10 ch 150 SLA 1955; am § 1 ch 45 SLA 1968)

Legislative history reports. — For report on ch. 45, SLA 1968 (HCSSB 246), see 1968 House Journal, p. 422.

Sec. 26.05.100. State militia. A state militia may be organized through voluntary enlistments under regulations as to discipline and training which may be prescribed by the governor. During the time that the Alaska National Guard or the Alaska Naval Militia, or any part of either of them, is not available to the state by reason of active federal service, or the National Guard or Naval Militia requires augmentation to perform its state mission, the governor may activate the state militia. (§ 11 ch 150 SLA 1955; am § 1 ch 159 SLA 1966; am § 2 ch 34 SLA 1973)

Sec. 26.05.110. Governor may order unorganized militia into active service. In the event of imminent invasion by a foreign power and for the same reasons set forth in AS 26.05.070, if the governor has ordered into active service all of the available organized militia or if the organized militia is in active federal service, the governor may order the unorganized militia or any portion of it considered necessary into active service, and have them perform military duty for the state subject to this chapter, as the circumstances require. (§ 12 ch 150 SLA 1955)

Sec. 26.05.120. Penalty for failure to obey call. A member of the militia who is ordered into active service and who refuses or wilfully or negligently fails to report at the time and place and to the officer designated in the order or to the officer's representative is guilty of desertion and shall be punished as a general court-martial directs, unless the member produces a sworn certificate from a licensed physician of good standing that the

member was physically unable to appear at the time and place designated. A person chargeable with desertion under this section may be taken by force and compelled to serve. (§ 13 ch 150 SLA 1955)

Sec. 26.05.130. Penalty for physician making false certificate. A physician who knowingly makes and delivers a false certificate of physical disability concerning a person ordered to active service shall be tried in the state court and, upon conviction, forever forfeits the license and right to practice the profession of physician in this state. (§ 14 ch 150 SLA 1955)

Sec. 26.05.135. Suspension of enforcement of civil liabilities. The provisions of 50 U.S.C. App. 501 — 590, pertaining to the temporary suspension of enforcement of civil liabilities of persons in the military service of the United States, apply to members of the Alaska National Guard and Alaska Naval Militia while on active duty for the state by order of the governor. (§ 1 ch 96 SLA 1976)

Sec. 26.05.140. Suits against officers and enlisted persons. Members of the militia ordered into active service for the state by order of the governor are not liable civilly or criminally for any act done by them in their official capacity while in this such service. If a suit is commenced in a court against an officer or enlisted person of the militia as a result of an act done by the officer or enlisted person in an official capacity while in active service, the defendant may require the person instituting the suit to give security for the payment of costs. If judgment is for the defendant, treble costs shall be assessed against the plaintiff. The defendant in the action shall be defended by the attorney general at the expense of the state but the defendant may employ private counsel. (§ 15 ch 150 SLA 1955; am § 2 ch 141 SLA 1972)

Collateral references. — Rights of members of Armed Forces to bring actions in civilian courts against their superiors, federal cases, 76 L. Ed. 2d 891.

Sec. 26.05.150. Not liable for exercise of judgment. A commanding officer of the Alaska militia engaged under proper authority in the suppression of any of those acts listed in AS 26.05.070 may determine the means to be used in controlling or dispersing any mob or other unlawful assembly. A commanding officer who exercises this discretion is not liable in either a civil or criminal action for an act done in the line of duty. (§ 16 ch 150 SLA 1955)

Sec. 26.05.160. Appointment, qualifications, and duties of adjutant general. (a) The adjutant general of the state is appointed by the governor. The governor shall prescribe the grade of the adjutant general, which may not exceed major general. To be eligible for appointment as adjutant general, a person must be a citizen of the state. The adjutant general shall make returns and reports to the Chief, National Guard Bureau, and to the governor or to the officers designated by the Chief, National Guard Bureau, and the governor, at the times and in the form prescribed.

(b) The adjutant general shall execute a bond running to the state in the penal sum of $20,000 conditioned upon the faithful performance of the adjutant general's duties. The attorney general shall approve the bond and the bond shall be filed with the Department of Administration. The state shall pay the cost of the bond.

(c) The adjutant general is the official liaison between the state and the active military in the state. The adjutant general shall provide advice and assistance to state agencies having dealings with the active military in the state.

(d) The adjutant general is the official liaison between the state and the federal Department of Veterans Affairs. The adjutant general shall provide advice and assistance to state agencies having dealings with the federal Department of Veterans Affairs.

(e) The adjutant gener
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(b) *[Repealed, § 35 ch 1*

(c) *[Repealed, § 1 ch 37*

(d) *[Repealed, § 1 ch 66*
am § 1 ch 19 SLA 1968; a
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(e) The adjutant general is the official liaison between the state and the Federal Emergency Management Agency in the state. The adjutant general shall provide advice and assistance to state agencies having dealings with the Federal Emergency Management Agency. (§ 17 ch 150 SLA 1955; am § 1 ch 4 SLA 1965; am § 1 ch 57 SLA 1967; am § 1 ch 6 SLA 1992)

Effect of amendments. — The 1992 amendment, effective April 14, 1992, added subsections (c)-(e).

Collateral references. — 53 Am. Jur. 2d, Military, and Civil Defense, § 36.
57 C.J.S., Militia, § 11.

Sec. 26.05.170. Governor's command and instructions exercised through the adjutant general. The governor's command is exercised through the adjutant general, who shall carry out the policies of the governor in military affairs. The adjutant general represents the governor and shall act in conformity with the governor's instructions. The adjutant general shall exercise control over the military department of the state. (§ 18 ch 150 SLA 1955)

Sec. 26.05.180. Headquarters staff of Alaska National Guard. (a) The headquarters of the Alaska National Guard is composed of an Army National Guard component, an Air National Guard component and a Naval Militia component. The Army National Guard component and the Air National Guard component shall each be commanded by an assistant adjutant general appointed by the adjutant general with the concurrence of the governor. An assistant adjutant general shall, while holding office, have the grade of brigadier general or a lower grade that the adjutant general may prescribe. On appointment an assistant adjutant general must hold a federally-recognized field grade commission with at least five years service in the Alaska Army National Guard or Alaska Air National Guard.

(b) The adjutant general may appoint necessary officers, enlisted persons, and civilian employees to the headquarters staff. (§ 19 ch 150 SLA 1955; am § 1 ch 46 SLA 1961; am § 1 ch 122 SLA 1971; am § 3 ch 141 SLA 1972; am § 3 ch 34 SLA 1973)

Sec. 26.05.190. Administration. (a) The adjutant general shall adopt and publish orders and regulations not contrary to law that in the adjutant general's judgment are necessary to bring the organizations, armament, equipment and discipline of the organized militia to a high degree of efficiency. The adjutant general shall perform all the administrative functions incident to the operation of the Alaska National Guard and the Alaska Naval Militia. In addition the adjutant general shall have an inventory taken at least once each year of all state military stores, property, and funds under the jurisdiction of the adjutant general.

(b) *[Repealed, § 35 ch 126 SLA 1994.]*

(c) *[Repealed, § 1 ch 37 SLA 1968.]*

(d) *[Repealed, § 1 ch 66 SLA 1967.]* (§ 20 ch 150 SLA 1955; am § 1 ch 66 SLA 1967; am § 1 ch 19 SLA 1968; am § 1 ch 37 SLA 1968; am § 4 ch 34 SLA 1973; am § 35 ch 126 SLA 1994)

Effect of amendments. — The 1994 amendment, effective July 1, 1994, repealed subsection (b), relating to the adjutant general's annual transactions report.

Sec. 26.05.200. Officers' qualifications, appointment and tenure. A person may not be commissioned or warranted in an office of the National Guard or the Naval Militia of the state unless the person is examined and adjudged qualified for the office by an examining board appointed by the commander in chief, except that at the discretion of the adjutant general the proceedings of federal examining boards may be accepted instead of

a state board. The composition, appointment, and procedure of examining boards an nature and scope of examinations shall be as prescribed by the military law regulations of the United States or this state. (§ 21 ch 150 SLA 1955; am § 5 ch 34 1973)

Collateral references. — 54 Am. Jur. 2d, Military and Civil Defense, §§ 149 — 163.
57 C.J.S. Militia § 11.

Sec. 26.05.210. Removal of officers. (a) The adjutant general and the assist adjutants general serve at the pleasure of the governor.

(b) When federal recognition of an officer's commission or warrant has been w drawn, the officer's state appointment as a commissioned or warrant officer may terminated, and the commission or warrant vacated upon the recommendation of adjutant general and approval of the governor.

(c) When a commissioned or warrant officer has successfully completed the prescrib term of service so as to be eligible for retirement, the officer may be placed upon retired list upon the recommendation of the adjutant general and approval of governor.

(d) Commissioned or warrant officers may tender their resignations through Nation Guard or Naval Militia command channels. Resignations shall be in writing, stating t reason for resignation, and shall take effect when accepted by the adjutant general up the approval of the governor. (§ 22 ch 150 SLA 1955; am § 1 ch 20 SLA 1968; am § 6 34 SLA 1973)

Sec. 26.05.220. Retired list. A commissioned officer and enlisted person upo reaching the maximum age prescribed for active duty by appropriate regulations and commissioned officer or enlisted person who is disabled or incapacitated for active dut through no personal fault or dereliction, and a commissioned officer or enlisted perso who serves honorably with the Alaska National Guard or with the Alaska Naval Milit in any capacity and is unable to perform further active duty due to limitations impose by appropriate regulations may be placed upon the retired list upon recommendation by the adjutant general and approval of the governor. (§ 23 ch 150 SLA 1955; am § 4 ch 141 SLA 1972; am § 7 ch 34 SLA 1973)

Sec. 26.05.222. Creation and administration of Alaska National Guard and Alaska Naval Militia retirement system. (a) There is established an Alaska National Guard and Alaska Naval Militia retirement system. The commissioner of administration shall administer the Alaska National Guard and Alaska Naval Militia retirement system.

(b) The commissioner of administration may adopt regulations to implement the Alaska National Guard and Alaska Naval Militia retirement system. Regulations adopted by the commissioner under this subsection relate to the internal management of state agencies and their adoption is not subject to AS 44.62 (Administrative Procedure Act). (§ 17 ch 159 SLA 1972; am § 9 ch 146 SLA 1980; am § 33 ch 137 SLA 1982)

Sec. 26.05.223. Commencement of participation in system. A member of the Alaska National Guard or Alaska Naval Militia shall be included in this system upon commencement of membership in the Alaska National Guard, or on January 1, 1973, whichever is later, or upon commencement of membership in the Alaska Naval Militia or on July 1, 1980, whichever is later. (§ 17 ch 159 SLA 1972; am § 10 ch 146 SLA 1980)

Sec. 26.05.224. Retirement benefits. (a) An active member of the Alaska National Guard, or a former member who was an active member on or after January 1, 1969, or a member of the Alaska Naval Militia on or after July 1, 1980, is eligible for a retirement pension

upon voluntary retirement fr
after a total of 20 years or
d, Alaska Naval Militia, or the
m, or any combination of serv
e is in the Alaska National G
upon involuntary separation
nal Guard or Alaska Naval
ration occurs as a result of th
illingness to satisfy establishe
The retirement pension is $1
the member participated sat
al Militia. The member may ir
1) in a lump sum that is actuar
etirement, of the entire pensio
2) in a monthly amount that wi
amount that is determined to b
time of retirement.

(c) An eligible member or form
inning on the first day of the n
ible for retirement, or the me
ater date. Payment of a deferre
benefit is filed with and ap
fairs. Deferred retirement payr
member elects another form

(d) Upon the death of an acti
laska National Guard or Alask
e member's designated benef
ccordance with (b) of this sectic
years service, the former me
enefit calculated in accordanc
reviously paid. Except as provi
he designation of a beneficiary
esignates more than one bene
different allocation. The membe
evocation of a beneficiary on
eterans' Affairs. It is not eff
eterans' Affairs. If a membe
beneficiary survives the memb
wise in a qualified domestic
subsection to the

(1) surviving spouse; or, if t
(2) surviving children in eq
(3) surviving parents in eq
(4) member's estate.

(e) Notwithstanding any pr
the time of the member's dea
spouse was married to the
chapter

(1) except to the extent a
former spouse or other depe
(2) unless the member fil
evocation of beneficiary an
spouse and each person ent

amining boards and the
the military laws or
955; am § 5 ch 34 SLA

eral and the assistant

arrant has been with-
arrant officer may be
ecommendation of the

npleted the prescribed
y be placed upon the
and approval of the

ions through National
in writing, stating the
djutant general upon
SLA 1968; am § 6 ch

nlisted person upon
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itated for active duty
er or enlisted person
Alaska Naval Militia
limitations imposed
recommendation by
1955; am § 4 ch 141

tional Guard and
l an Alaska National
er of administration
retirement system.
to implement the
ystem. Regulations
rnal management of
istrative Procedure
137 SLA 1982)

. A member of the
n this system upon
n January 1, 1973,
ka Naval Militia or
ch 146 SLA 1980)

he Alaska National
nuary 1, 1969, or a
le for a retirement

(1) upon voluntary retirement from the Alaska National Guard or Alaska Naval Militia after a total of 20 years or more of satisfactory service in the Alaska National Guard, Alaska Naval Militia, or the armed forces of the United States, and the reserves of them, or any combination of service in these components if at least five years of the service is in the Alaska National Guard or Alaska Naval Militia; or

(2) upon involuntary separation because of federal standards imposed on the Alaska National Guard or Alaska Naval Militia, regardless of length of service, unless the separation occurs as a result of the member's own misconduct, misrepresentation, or unwillingness to satisfy established standards for continued participation.

(b) The retirement pension is $100 a month, payable for the same number of months that the member participated satisfactorily in the Alaska National Guard or Alaska Naval Militia. The member may instead elect to receive the retirement pension

(1) in a lump sum that is actuarially determined to be equal to the value, at the time of retirement, of the entire pension due; or

(2) in a monthly amount that will result in payment by the member's 72nd birthday of an amount that is determined to be the actuarial equivalent of the entire pension due at the time of retirement.

(c) An eligible member or former member may elect to receive the retirement pension beginning on the first day of the month in which the member or former member becomes eligible for retirement, or the member or former member may elect to defer payment to a later date. Payment of a deferred retirement benefit may not begin until application for the benefit is filed with and approved by the Department of Military and Veterans' Affairs. Deferred retirement payments shall be made monthly at the rate of $100, unless the member elects another form of payment under (b) of this section.

(d) Upon the death of an active member who has at least five years service in the Alaska National Guard or Alaska Naval Militia or a combination of these components, the member's designated beneficiary is entitled to a lump sum benefit calculated in accordance with (b) of this section. Upon the death of a former member who has at least 20 years service, the former member's designated beneficiary is entitled to a lump sum benefit calculated in accordance with (b) of this section less any retirement benefits previously paid. Except as provided in (e) of this section, a member may change or revoke the designation of a beneficiary without notice to the beneficiary at any time. If a member designates more than one beneficiary, each shares equally unless the member specifies a different allocation. The member shall make a designation of a beneficiary or a change or revocation of a beneficiary on a form provided by the Department of Military and Veterans' Affairs. It is not effective until filed with the Department of Military and Veterans' Affairs. If a member fails to designate a beneficiary or if no designated beneficiary survives the member, the department, except to the extent provided otherwise in a qualified domestic relations order, shall pay the death benefit under this subsection to the

(1) surviving spouse; or, if there is none surviving,

(2) surviving children in equal parts; or, if there is none surviving,

(3) surviving parents in equal parts; or, if there is none surviving,

(4) member's estate.

(e) Notwithstanding any previous designation of beneficiary, the spouse of a member at the time of the member's death automatically becomes the designated beneficiary if the spouse was married to the member during part of the member's service under this chapter

(1) except to the extent a qualified domestic relations order provides for payment to a former spouse or other dependent of the member; or

(2) unless the member files with the Department of Military and Veterans' Affairs a revocation of beneficiary and a written consent to the revocation signed by the present spouse and each person entitled to benefits under the order on forms provided by the

department; however, consent of the present spouse is not required if the member and t present spouse had been married for less than two years on the date of the membe death and if the member established when filing the revocation that the member and t spouse were not cohabiting.

(f) A person claiming entitlement to any benefits payable under this section sha provide the department with a marriage certificate, divorce or dissolution decree, or othe evidence of entitlement. Documents showing entitlement may be filed with the depar ment immediately after a change in the member's marital status. If the department do not receive notification of a claim before the date 10 days after the member's death, th person claiming entitlement to the benefits is not entitled to receive from the Departmen of Administration or Department of Military and Veterans' Affairs any benefit alread paid under this section. (§ 17 ch 159 SLA 1972; am §§ 11, 12 ch 146 SLA 1980; am § ch 140 SLA 1984; am E.O. No. 58, §§ 4, 5 (1984); am § 11 ch 82 SLA 1986; am §§ 29, 3 ch 117 SLA 1986; am §§ 1, 2 ch 41 SLA 1988)

Effect of amendments. — The 1988 amendment, effective May 24, 1988, in subsection (b), added paragraphs (1) and (2) and added the second sentence in the introductory paragraph; and added "unless the member elects another form of payment under (b) of this section" at the end of the last sentence in subsection (c).

NOTES TO DECISIONS

Cited in Laing v. Laing, 741 P.2d 649 (Alaska 1987).

Sec. 26.05.225. Earlier service. A person who was a member of the Alaska National Guard on or after January 1, 1969, is entitled to credit for service to the state and former territory of Alaska as a member of the National Guard and Territorial Guard before and after January 1, 1969, in determining eligibility for retirement benefits under AS 26.05.224. (§ 17 ch 159 SLA 1972; am § 13 ch 146 SLA 1980)

Sec. 26.05.226. Contributions. (a) The Department of Military and Veterans' Affairs shall contribute to the Alaska National Guard and Alaska Naval Militia retirement system the amounts determined by the commissioner of administration as necessary to

(1) fund the system based on the actuarial requirements of the system as established by the commissioner of administration; and

(2) administer the system.

(b) The amount required for contributions from the Department of Military and Veterans' Affairs under (a) of this section shall be included in the annual appropriations made to the Department of Military and Veterans' Affairs. (§ 17 ch 159 SLA 1972; am § 14 ch 146 SLA 1980; am § 34 ch 137 SLA 1982; am E.O. No. 58, § 6 (1984))

Sec. 26.05.227. [Renumbered as AS 26.05.229.]

Sec. 26.05.228. Accounting and investment. (a) The commissioner of administration shall establish a military retirement trust fund for the system in which the assets of the system are deposited and held. The commissioner shall maintain accounts and records for the system.

(b) All income of the fund and all disbursements made by the fund shall be credited or charged, whichever is appropriate, to the following accounts:

(1) an individual account for each retired member of the system that records the benefits paid under this system to the member or surviving beneficiary;

(2) a separate account for the Department of Military and Veterans' Affairs' contribution to fund the system based on the actuarial requirements of the system as established by the commissioner of administration under this chapter;

(3) an expense account for presenting administrative count are included in the g

(c) The Alaska State Pensio me powers and duties unde 25.180. (§ 36 ch 137 SLA 1 16, 17 ch 141 SLA 1988; a

Effect of amendments. — The 1 ective June 9, 1988, rewrote subs ed "The commissioner of administr a fund for the system and maint ords for the system." and repeal section (c), which read "Invest ments in the fund may be made u 36.110."

The 1992 amendment substitut ate Pension Investment Board is

Sec. 26.05.229. Definitio

(1) "beneficiary" means a ystem by the member while pon the death of the memb

(2) "member" means a cu Alaska National Guard or A

(3) "qualified domestic rel AS 25.24, including an orde

(A) creates or recognizes t alternate payee the right to, to a member;

(B) sets out the name and each alternate payee covere

(C) sets out the amount benefit, to be paid to the alt or percentage is to be deter

(D) sets out the number

(E) does not require any by AS 26.05.222 — 26.05.22

(F) does not require an 26.05.222 — 26.05.228, det

(G) does not require the to be paid to another alterna qualified domestic relations

(4) "system" means the A ystem. (§ 17 ch 159 SLA 19 § 31 ch 117 SLA 1986)

Revisor's notes. — Formerly numbered in 1986. Reorganized a for the defined terms.

Cited in Laing v. Laing, 741 P.2

Sec. 26.05.230. Armori

(a) Buildings and sites for

(3) an expense account for the system; this account is charged with all disbursements representing administrative expenses incurred by the system; expenditures from this account are included in the governor's budget for each fiscal year.

(c) The Alaska State Pension Investment Board is the fiduciary of the fund and has the same powers and duties under this section in regard to the fund as are provided under AS 14.25.180. (§ 36 ch 137 SLA 1982; E.O. No. 58, § 7 (1984); am § 12 ch 82 SLA 1986; am §§ 16, 17 ch 141 SLA 1988; am § 7 ch 31 SLA 1992)

Effect of amendments. — The 1988 amendment, effective June 9, 1988, rewrote subsection (a), which read "The commissioner of administration shall establish a fund for the system and maintain accounts and records for the system," and repealed and reenacted subsection (c), which read "Investment of surplus amounts in the fund may be made as provided in AS 39.25.110."

The 1992 amendment substituted "The Alaska State Pension Investment Board is the fiduciary" for "The commissioner of revenue is the treasurer of the system and the fiduciary" in subsection (c).

Effective date of 1992 amendment. — Under § 28, ch. 31, SLA 1992, the amendment to (c) of this section made by § 7, ch. 31, SLA 1992, takes effect on the earlier of July 1, 1993 or the date established by resolution of the Alaska State Pension Investment Board for the transfer to it of securities and assets of the relevant retirement systems.

Sec. 26.05.229. Definitions. In AS 26.05.222 — 26.05.228

(1) "beneficiary" means a person designated by a member in a writing filed with the system by the member while alive to receive benefits that may be due from the system upon the death of the member;

(2) "member" means a commissioned or warrant officer or an enlisted person in the Alaska National Guard or Alaska Naval Militia;

(3) "qualified domestic relations order" means a divorce or dissolution judgment under AS 25.24, including an order approving a property settlement, that

(A) creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable with respect to a member;

(B) sets out the name and last known mailing address, if any, of the member and of each alternate payee covered by the order;

(C) sets out the amount or percentage of the member's benefit, or of any survivor's benefit, to be paid to the alternate payee, or sets out the manner in which that amount or percentage is to be determined;

(D) sets out the number of payments or period to which the order applies;

(E) does not require any type or form of benefit or any option not otherwise provided by AS 26.05.222 — 26.05.228;

(F) does not require an increase of benefits in excess of the amount provided by AS 26.05.222 — 26.05.228, determined on the basis of actuarial value; and

(G) does not require the payment, to an alternate payee, of benefits that are required to be paid to another alternate payee under another order previously determined to be a qualified domestic relations order;

(4) "system" means the Alaska National Guard and Alaska Naval Militia retirement system. (§ 17 ch 159 SLA 1972; am § 15 ch 146 SLA 1980; am § 35 ch 137 SLA 1982; am § 31 ch 117 SLA 1986)

Revisor's notes. — Formerly AS 26.05.227. Renumbered in 1986. Reorganized in 1986 to alphabetize the defined terms.

NOTES TO DECISIONS

Cited in Laing v. Laing, 741 P.2d 649 (Alaska 1987).

Sec. 26.05.230. Armories, training sites, and maintenance facilities. (a) Buildings and sites for armory purposes may be leased or constructed, based upon

location and size of units to be organized, and shall be financed through state and federal appropriations or both. These facilities may be made available by local communities or by the cooperative arrangement between the state and the federal government and any local community. Leasing and construction under this subsection are governed by AS 36.30 (State Procurement Code).

(b) The armory of each battalion, company, or other unit is subject to the order of the adjutant general and under the charge of its armory board which shall keep in the armory all property furnished by the state. Except for scout battalions organized under special authority of the Secretary of the Army, a unit may not be furnished with arms or equipment until a suitable armory is provided for their deposit. Subject to regulations adopted by the adjutant general, an armory may be used for any reasonable and legitimate civilian activity so long as the activity does not interfere with its use for military purposes. Proceeds received as rental or otherwise at an armory from nonmilitary use shall be deposited in the general fund.

(c) The adjutant general shall administer all target ranges belonging to or leased by the state for National Guard purposes. Gallery ranges may be maintained at all armories occupied by state troops and every command shall be given suitable instruction in marksmanship under direction of its commander, and regulations as authorized by the adjutant general. (§ 25 ch 150 SLA 1955; am § 1 ch 101 SLA 1966; am § 25 ch 106 SLA 1986; am § 46 ch 138 SLA 1986; am § 12 ch 90 SLA 1991)

Effect of amendments. — The 1991 amendment, effective July 8, 1991, in subsection (b), deleted the former last two sentences.

Sec. 26.05.235. Active duty training sites. Unless prohibited by federal regulation, no less than once every two training years, each unit of the Alaska Army National Guard shall train for annual active duty training at a site other than its regular base training site. Every effort shall be made to select a training site in a different type of environment from that of the regular base training site. (§ 2 ch 35 SLA 1976)

Cross references. — For purposes of this section, see § 1, ch. 39, SLA 1976 in the Temporary and Special Acts.

Sec. 26.05.240. Enlisted persons. An able-bodied person of good character who is a citizen of the United States or has declared an intention of becoming a citizen is eligible for enlistment in the National Guard or Naval Militia at the ages and for the periods of time that are prescribed in federal or state regulations in effect at time of enlistment. (§ 26 ch 150 SLA 1955; am § 5 ch 141 SLA 1972; am § 8 ch 34 SLA 1973)

Collateral references. — 53 Am. Jur. 2d, Military and Civil Defense, §§ 41 — 43.
57 C.J.S. Militia § 12 et seq.

Validity of governmental requirements of oath of allegiance or loyalty as applied to militiamen. 16 ALR2d 328.

Sec. 26.05.250. Discharges. An enlisted person who is discharged from service in the organized militia of the state shall receive a notice of discharge in writing in the form and classification prescribed by state law or regulations. In time of peace or when there is no declaration of national emergency, a discharge may be given before the expiration of terms of enlistment under regulations prescribed by competent authority. (§ 27 ch 150 SLA 1955; am § 6 ch 141 SLA 1972)

Collateral references. — 53 Am. Jur. 2d, Military and Civil Defense, § 45.
Judicial review of military action with respect to type of discharge given member of Armed Forces, 92 ALR Fed 333.

Sec. 26.05.260. Pay and disbursements of pay and a

(b) Members of the Alask receive, for each day of acti those provided by federal la United States armed forces for active service performed beginning after June 30, 1 percent for each percent in determined by the United S exceed an annual increase 90 days after the release o published immediately afte

(c) *[Repealed, § 8 ch 56*

(d) A member of the c 26.05.070, including transi or disability in the line of d AS 23.30 (Alaska Workers

(e) If a member of the suffered in the line of duty to and from the member's the amounts specified in A

(f) *[Repealed, § 8 ch 56*

(g) *[Repealed, § 8 ch 56*

(h) For purposes of com of the organized militia authorized for a member grade or rank as the orga

(i) In this section, "m enlisted man or woman i SLA 1964; am § 2 ch 19 SLA 1973; am §§ 1 — 4,

Revisor's notes. — Subsecti (i). Renumbered in 1989, at wi section (h) was renumbered as

Effect of amendments. — effective July 1, 1989, substitu for "Alaska National Guard or where the term appears in sub substituted "performing duties

Sec. 26.05.265. Reen (c) of this section, an enli Militia who extends or entitled to a bonus if

(1) the extension or r

(2) at the time of the years of service creditat

(3) on completion of t will have not more than

(b) The bonus is $50(a total of $3,000 for a n completion of each year

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

TONY KNOWLES, GOVERNOR

P.O. BOX 110300
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November 29, 1999

Commission on Privatization and Delivery
of Government Services
Alaska State Legislature
Anchorage, AK 99501

Dear Commission Members:

At the November 18, 1999 meeting of the commission, a number of questions were posed to the department:

Mr. Harper requested information on the benefits accruing to the state from its expenditures on oil and gas litigation. Since 1982, the state has recovered over $10 billion to date as a result of oil and gas tax, royalty, and regulatory litigation. Between FY 1994 and FY 1999, the period of time the contractual expenditure information provided to the commission covers, more than $3.3 billion was collected.

Mr. Pignalberi asked the department to provide the information requested of the various subcommittees in items I – X of the commission's "Suggested Outline for Subcommittee Reports." Attached are items I – IX. For item X, we would direct the commission's attention to the department's August 31, 1999 response to Mr. Johnson, questions 1 – 5.

Also attached, per Mr. Pignalberi's request, are sample reports from the Civil Division's timekeeping and billing system.

We are still working on Mr. Pignalberi's request for information on our collection efforts. As I pointed out to Mr. Pignalberi when the request was made, this will take some time. We will submit this response to the commission as soon

as it can be completed; however, it is doubtful you will receive it until the week of December 6.

Sincerely,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By: Barbara J. Ritchie
Deputy Attorney General

Attachment

I. DEPARTMENT OF LAW

II. BRU and Component Names as Listed in Department of Law Budget

BRU	COMPONENT
a. Criminal Division	First Judicial District Second Judicial District Third Judicial District: Anchorage Third Judicial District: Outside Anchorage Fourth Judicial District Criminal Justice Litigation Criminal Appeals/Special Litigation
b. Civil Division	Deputy Attorney General's Office Collections and Support Commercial Section Environmental Law Fair Business Practices Governmental Affairs Human Services Legislation/Regulations Mental Health Lands Natural Resources Oil and Gas and Mining Special Litigation Transportation Section Timekeeping and Support
c. Statehood Defense	Statehood Defense
d. Oil and Gas Litigation and Legal Services	Oil and Gas Litigation Oil and Gas Legal Services
e. Administration and Support	Office of the Attorney General Administrative Services

III. Total Department of Law FY00 Budget, All Funds
($ in thousands)

	Criminal Division	Civil Division	Statehood Defense	Oil & Gas Litigation & Legal Services	Admin & Support	Total
Federal Receipts	476.1					476.1
GF Match	157.3					157.3
General Fund	12,570.8	6,797.1	1,293.0	4,784.3	837.4	26,282.6
GF Program Receipts		422.1			46.2	468.3
Interagency Receipts	960.1	13,735.1			553.3	15,248.5
Fish & Game Fund	125.8					125.8
GF Mental Health		63.0				63.0
Interagency Oil & Hazardous		465.4				465.4
Permanent Fund Receipts				1,477.0		1,477.0
Statutory Designated Receipts		505.0				505.0
Tobacco Settlement Revenue		134.0				134.0
FY 2000 Authorized Total	14,290.1	22,121.7	1,293.0	6,261.3	1,436.9	45,403.0

IV. Total Revenue
($ in thousands)

General Fund Program Receipts	
Collected criminal fines; forfeited bonds	1,330.0
Collected cost of appointed counsel	888.9
Collected cost of incarceration	741.6
Collected civil judgments	49.2
Misc. collections not posted to debt by fiscal year-end	101.4
Consumer protection recoveries	95.4
Recovery of attorneys' fees and costs	22.0
Federal Funds	
Medicaid Provider Fraud	352.4
Oil and Gas Litigation	
Royalty, tax, regulatory settlements	59,607.5
FY99 TOTAL	**63,188.4**

V. Constitutional and Statutory Provisions Governing the Department of Law

Constitution

Article III,

Section 16 - Governor's Authority
Section 22 - Executive Branch
Section 24 - Supervision
Section 25 - Department Heads

Statutes

The main statutory provisions governing the Department of Law are found in AS 44.23. The department is also referred to in numerous other places in statute. Some examples follow:

AS 08.88 - Real Estate Commission
AS 09.50 - Compromise by Attorney General
AS 14.07 - State Board of Education legal services
AS 18.66 - Council on Domestic Violence and Sexual Assault
AS 25.24 - Child Support Enforcement legal services
AS 31.05 - Oil and Gas Conservation Commission legal services
AS 39.52 - Executive Branch Ethics Act
AS 42.04 - Regulatory Commission of Alaska legal services
AS 43.10 - Enforcement and Collection of Taxes
AS 44.62 - Administrative Procedures Act
AS 44.80 - Liability of the State
AS 45.50 - Competitive Practices and Regulation of Competition
AS 47.17 - Child Protection
AS 47.24 - Protection of Vulnerable Adults

VI. Department of Law Mission, Goals, and Objectives

The mission of the Department of Law is to (1) protect the state's sovereignty; (2) prosecute crime; (3) represent and advise the state in all civil matters; and (4) provide other legal services to state government.

Goals and Strategies

CRIMINAL DIVISION:

- Protect the public through effective prosecutions.
- Assist law enforcement agencies with criminal investigations and filing misdemeanor and felony charges.
- Serve as legal advisor to grand juries and represent the state in all phases of criminal trial and appellate proceedings.
- Effectively prosecute domestic violence crimes - both felony and misdemeanor.
- Reduce fraud in benefit programs.

CIVIL DIVISION:

- Provide effective legal advice and representation of the state.
- Protect Alaska's children and youth by handling child abuse, neglect, and delinquency cases expeditiously.
- Ensure the state receives its correct share of oil and gas taxes and royalties; clarify and improve the rules governing taxpayers to reduce disputes and litigation.
- Resolve questions of state versus federal control and management of natural resources and lands.
- Increase collections of money owed the state by businesses and individuals for child support, fines, loans, and other unpaid obligations.
- Ensure the department's revised process for legal review of regulations projects continues efficiently, timely, and responsive to the needs of agencies and the public.

VII. Number of Department of Law Employees

	Full-Time	Part-Time
Criminal Division		
Attorneys	89	1
Paraprofessionals	31	
Support Staff	61	1
Civil Division		
Attorneys	120	6
Paraprofessionals	33	
Support Staff	85	2
Statehood Defense		
Attorneys	8	
Paraprofessionals	2	
Support Staff	1	
Administration and Support	20	1
Total FY2000 Authorized	450	11

VIII. Technology Used to Perform the Department of Law's Mission

General-use Computer Technology
The Department of Law's information technology infrastructure consists of over 20 Novell Netware servers and 430+ Intel Pentium-based personal computers running Windows 95/98. There are 15 locations in the state, and 11 of these locations have local area networks. All 15 locations are joined to the State of Alaska WAN through dedicated circuits ranging from 56kbps to T-1. All user workstations are configured with the TCP/IP protocol and have Internet access.

Administrative Services
State of Alaska administration applications are hosted on an OS/390 mainframe accessed through TCP/IP (tn3270) over the statewide WAN. Applications in use include accounting, payroll, and property control. Law participates in budgeting by using the states Automated Budget System, a client/server system.

Legal Research / Legislation Tracking
The primary commercial tool used for electronic legal research is WestLaw. Users gain access to WestLaw either through modems connected to dedicated analog lines, or through the internet. The largest sites also have access to the WestLaw "Premise" product, a CD-based offering that is installed in networked CD devices. Research into statutes and regulations is accomplished through WAN access to databases maintained by the Legislative Affairs Agency. Tracking of current legislation is accomplished over the WAN using standard browsers accessing web-based databases. Some tracking of legislation is accomplished over the WAN using tn3270 to access mainframe databases.

Common Agency Software
The primary software for daily use is MS Office 97. Groupwise is used for email and scheduling, although the department plans a switch to the state's SMTP-based enterprise email system. Attachmate Extra Personal Client along with QWS3270 Winsock, a free 3270 emulator, are used for OS/390 access.

Prosecutor Case Management
Tracking of all criminal prosecution efforts is accomplished through the system known as CRIMES (Criminal Record Information and Exchange System.) "CRIMES" is an Oracle-based client/server system that supports up to 180 users across the state. Each client interacts with a local server housing a replicated copy of the database. Database synchronization occurs after working hours.

Timekeeping and Billing
The Civil Division has as clients each of the individual agencies of the executive branch. Costs of legal work are charged back to client agencies. Timekeeping and billing is accomplished through use of the Barrister Javelan program, a client/server system based on MS SQL Server. There are 160 Javelan users, located in Anchorage, Juneau, Bethel, and Fairbanks. Timekeeping records are stored in a single-repository SQL database and accessed by users over the WAN. Preparation of bills by administrative staff occurs in Juneau, accessing the database over the WAN.

Litigation Support Imaging
Litigation of oil & gas taxation and royalty cases requires intensive document research. Before a case reaches the discovery phase, these documents are usually in the possession of their owners. In litigation, each side requests documents to support their respective cases, resulting in the exchange of huge volumes of paper. The Department of Law's Litigation Support group is responsible for making relevant documents available to the attorneys working on a case. This is accomplished through use of the Litigation Support

VIII - Continued

Imaging System, a UNIX-based system that stores massive quantities of legal documents for use in any necessary litigation. The system uses an Oracle database for document indexing, and includes high-capacity magneto-optical storage devices. Document research is carried on using RetrievalWare, a software product designed to facilitate searching and indexing of scanned and text-based documents.

IX. Existing Agency Contracts
(as of November 21, 1999)

FIRM	SUBJECT	PURPOSE	BEGINDAT	ENDDATE	AUTH	Procurement Type
Affiliated Appraiser	Real Estate	Expert Witness	8/14/97	6/30/00	$30,500	Exempt (Expert Witness)
Affiliated Appraiser	Real Estate	Expert Witness	11/19/97	6/30/00	$7,000	Exempt (Expert Witness)
Ashburn & Mason	Oil & Gas	Legal Services	4/1/83	1/1/15	$330,060	Novation
Ashburn & Mason	Oil & Gas	Legal Services	8/19/92	6/30/00	$542,500	Limited Comp (RFP)
Bankston & McCollum	Tort Litigation	Legal Services	2/18/98	1/1/15	$475,000	Limited Comp (RFP)
Barrister Info. Syst	Timekeeping & Billing System	Software Support	6/26/98	6/30/04	$418,062	Limited Comp (RFP)
Baxter, Bruce, et al	Employment	Legal Services	9/22/98	9/16/99	$60,000	Limited Comp (RFP)
Birch/Foster/Rubini	Bond/Investment Counsel	Legal Services	11/1/93	10/31/99	$3,250,000	Formal RFP
Blumstein & Dunn, PC	Employment	Legal Services	5/28/99	1/1/15	$15,000	Limited Comp (RFP)
Brind, Joel, Ph.D.	Abortion Statute Challenge	Expert Witness	11/7/97	1/1/15	$10,000	Exempt (Expert Witness)
Carney, Badley et al	Construction Claims	Legal Services	11/24/98	1/1/15	$550,000	Limited Comp (RFP)
Clarke Engineering	Condemnation Dispute	Expert Witness	1/23/93	1/1/15	$17,500	Exempt (Expert Witness)
Covington & Burling	Fed/State Relations	Legal Services	7/1/98	6/30/00	$35,000	Small Purch. (R&A)
Crowell & Moring	Administrative Law (federal)	Legal Services	8/13/84	6/30/00	$70,000	Pre-dates Code
Davison & Davison	Workers' Comp.	Legal Services	6/11/97	1/1/15	$30,000	Small Purch. (RFP)
Delaney Wiles et al.	Tort Litigation	Legal Services	12/11/95	1/1/15	$850,000	Limited Comp (RFP)
Delaney Wiles et al.	Tort Litigation	Legal Services	12/1/98	1/1/15	$175,000	Limited Comp (RFP)
Delaney, Wiles	Employment	Legal Services	2/22/99	1/1/15	$35,000	Limited Comp (RFP)
DeLisio Moran et al.	Tort Litigation	Legal Services	10/10/94	1/1/15	$215,000	Limited Comp (RFP)
Econ One	Consumer Protection/Antitrust	Expert Witness	3/1/99	6/30/00	$50,000	Exempt (Expert Witness)
Econ One	Oil & Gas	Expert Witness	9/1/98	6/30/00	$220,000	Exempt (Expert Witness)
Epstein, David J.	Commercial	Legal Services	11/21/85	1/1/15	$0	Multi-State
Fast, Kathleen J.	DA Volunteer Coordinator	DA Volunteer Coordinator	3/1/99	2/28/00	$5,000	Small Purch. (R&A)
Forslund, Curtis D.	Commercial	Legal Services	6/22/99	6/30/00	$50,000	Small Purch. (Single)
Foster, Gary	Construction Claims	Legal Services	7/15/97	1/1/15	$250,000	Single Source
Foster/Birch (JV)	Bond/Investment Counsel	Legal Services	10/1/95	9/30/00	$250,000	Formal RFP
Guess & Rudd	Workers' Comp.	Legal Services	3/29/95	1/1/15	$20,000	Small Purch. (RFP)
Guetschow, Bernd C.	Bankruptcy	Legal Services	4/20/95	6/30/00	$50,000	Small Purch. (R&A)
Hagans, Ahearn et al	Medicaid Fraud	Legal Services	4/15/99	6/30/00	$7,500	Exempt (Expert Witness)
Hainline & Assoc.	Construction Claims	Expert Witness	9/24/99	6/30/01	$30,000	Exempt (Expert Witness)
Hainline & Assoc.	Construction Claims	Expert Witness	9/18/98	6/30/00	$50,000	Exempt (Expert Witness)

IX. Existing Agency Contracts
(as of November 21, 1999)

FIRM	SUBJECT	PURPOSE	BEGINDAT	ENDDATE	AUTH	Procurement Type
Hainline & Associate	Construction Claims	Expert Witness	3/3/98	1/1/15	$50,000	Exempt (Expert Witness)
Heller/Simpson (JV)	Bond/Investment Counsel	Legal Services	9/25/95	9/24/00	$800,973	Formal RFP
Hogan & Hartson	Campaign Finance Reform	Legal Services	7/13/99	6/30/00	$5,000	Small Purch. (R&A)
Hogan & Hartson	State's Rights	Legal Services	7/12/99	6/30/00	$5,000	Small Purch. (R&A)
Hogan & Hartson, LLP	State's Rights	Legal Services	9/1/99	1/1/15	$75,000	Limited Comp (RFP)
Hosie, Frost & Large	Consumer Protection/Antitrust	Legal Services	3/27/99	6/30/00	$25,000	Small Purch. (R&A)
Hosie, Wes, et al.	Oil & Gas	Legal Services	5/13/92	1/1/15	$3,639,548	Novation
J.P.Dokoozian & Assc	Construction Claims	Expert Witness	6/16/98	6/30/00	$25,000	Exempt (Expert Witness)
Jermain, Dunnagan &	Consumer Protection/Antitrust	Legal Services	8/10/99	6/30/00	$10,000	Small Purch. (R&A)
Kaye, Scholer, et al	Oil & Gas	Legal Services	12/1/93	1/1/15	$32,070	Novation
Killip, Jeff	Child Protection	Legal Services	1/25/99	8/31/99	$10,000	Small Purch. (R&A)
Koester, G. Thomas	State's Rights	Legal Services	7/26/91	1/1/15	$403,000	Single Source
Koester, G. Thomas	State's Rights	Legal Services	6/4/99	1/1/15	$50,000	Single Source
LCMF Inc.	Construction Claims	Expert Witness	9/3/98	6/30/00	$10,000	Exempt (Expert Witness)
Lessmeier & Winters	Tort Litigation	Legal Services	4/25/95	1/1/15	$305,000	Limited Comp (RFP)
Metamor	Crimes System	Software Support	6/22/98	6/30/03	$497,000	Formal RFP
Mikunda, Cottrell &	Consumer Protection/Antitrust	Expert Witness	10/5/99	6/30/00	$5,000	Exempt (Expert Witness)
Milton B. Barker	Bankruptcy	Paraprofessional Services	10/30/98	6/30/00	$26,000	Small Purch. (R&A)
Morrison & Foerster	Oil & Gas	Legal Services	7/1/81	1/1/15	$27,535,000	Pre-dates Code
Muse, Stancil & Co.	Oil & Gas	Expert Witness	4/14/99	6/30/00	$70,000	Exempt (Expert Witness)
Owens & Turner	Technology/Patent	Legal Services	7/1/99	6/30/00	$50,000	Small Purch. (RFP)
Pacific Economics Gp	Commercial	Expert Witness	10/23/98	6/30/00	$100,000	Exempt (Expert Witness)
Parran, Theo., M.D.	Medicaid Fraud	Expert Witness	6/30/99	12/31/99	$20,000	Exempt (Expert Witness)
Pillifont, Lois	DA Volunteer Coordinator	DA Volunteer Coordinator	3/1/99	2/28/00	$5,000	Small Purch. (R&A)
Pomp, Prof. Richard	Oil & Gas	Expert Witness	8/31/99	6/30/01	$50,000	Exempt (Expert Witness)
Preston Gates et al.	Oil & Gas	Legal Services	9/16/83	1/1/15	$21,486,000	Pre-dates Code
Preston Gates et al.	Environmental	Legal Services	4/24/89	6/30/00	$34,000	Emergency (type - B)
Preston Gates et al.	Bond/Investment Counsel	Legal Services	3/29/94	12/31/99	$500,000	Formal RFP
Price & Price	Real Estate	Legal Services	8/1/96	8/31/99	$141,677	Formal RFP (Novation)
Reich Law Frim	Collections	Legal Services	6/4/99	1/1/15	$5,000	Small Purch. (R&A)
Resource Data, Inc.	Y2K Testing	Software Support	7/15/99	12/31/99	$8,500	Small Purch. (Single)

IX. Existing Agency Contracts
(as of November 21, 1999)

FIRM	SUBJECT	PURPOSE	BEGINDAT	ENDDATE	AUTH	Procurement Type
Ringert Clark Chart.	Collections	Legal Services	9/19/97	6/30/00	$10,000	Small Purch. (R&A)
Robertson, et al.	Tort Litigation	Legal Services	1/29/96	1/1/15	$100,000	Limited Comp (RFP)
Robertson, Monagle	Environmental	Legal Services	8/8/97	1/1/15	$921,000	Limited Comp (RFP)
Rubinfeld, Daniel	Oil & Gas	Expert Witness	6/1/99	6/30/00	$25,000	Small Purch. (R&A)
Ruddy, et al.	Environmental	Legal Services	7/1/97	12/31/99	$43,000	Single Source
Sam, Christine M.	DA Volunteer Coordinator	DA Volunteer Coordinator	3/1/99	2/28/00	$5,000	Small Purch. (R&A)
Simpson, Tillinghast	Constitutional	Legal Services	6/5/98	1/1/15	$130,000	Limited Comp (RFP)
Stanley, Michael	State's Rights	Legal Services	9/12/97	1/1/15	$30,000	Emerg. (GS approved)
Stanley, Michael	State's Rights	Legal Services	4/12/99	6/30/00	$35,000	Small Purchase (R&A)
Statewide Appraisal	Real Estate	Expert Witness	3/23/98	6/30/00	$7,000	Exempt (Expert Witness)
SunGard Shareholders	Commercial	Expert Witness	10/23/98	6/30/00	$65,000	Exempt (Expert Witness)
Susan M. Reiter	Collections	Legal Services	3/3/98	6/30/00	$5,000	Small Purchase (R&A)
Travis Environmental	Construction Claims	Expert Witness	9/19/97	6/30/00	$16,200	Exempt (Expert Witness)
Travis/Peterson Env.	Oil & Gas	Expert Witness	3/25/99	6/30/00	$60,000	Exempt (Expert Witness)
Tucker Alan, Inc.	Construction Claims	Expert Witness	7/2/98	6/30/00	$100,000	Exempt (Expert Witness)
Tucker Alan, Inc.	Construction Claims	Expert Witness	7/2/98	6/30/00	$105,000	Exempt (Expert Witness)
Tundra Women's Coal.	DA Volunteer Coordinator	DA Volunteer Coordinator	3/1/99	2/28/00	$5,000	Small Purch. (R&A)
Van Muers & Assoc.	Oil & Gas	Expert Witness	4/19/99	6/30/00	$20,000	Exempt (Expert Witness)
Vincent M. Rue, PhD	Abortion Statute Challenge	Expert Witness	9/15/97	1/1/15	$10,000	Exempt (Expert Witness)
Washburn, Briscoe	State's Rights	Legal Services	3/15/82	1/1/15	$2,134,000	Pre-dates Code
Williams & Tinkham	Collections	Legal Services	8/17/99	6/30/00	$25,000	Small Purch. (R&A)
Williams, Kastner	Real Estate	Legal Services	9/18/97	9/30/99	$25,000	Small Purch. (RFP)
Wohlforth, et al.	Bond/Investment Counsel	Legal Services	11/1/93	10/31/99	$900,000	Formal RFP
Wohlforth, et al.	Commercial	Legal Services	7/1/94	8/31/99	$740,206	Formal RFP
Wohlforth, et al.	Bond/Investment Counsel	Legal Services	3/1/96	2/20/00	$500,000	Formal RFP
Wohlforth, et al.	Bond/Investment Counsel	Legal Services	4/1/96	3/31/00	$330,000	Formal RFP
Wohlforth, et al.	Bond/Investment Counsel	Legal Services	11/26/96	11/30/99	$500,000	Formal RFP
Wohlforth, et al.	Real Estate	Legal Services	11/5/98	6/30/00	$75,000	Small Purch. (RFP)
Wohlforth/Hawkins	Bond/Investment Counsel	Legal Services	7/25/97	6/30/00	$50,000	Formal RFP
Wostmann & Assoc.	PROMIS Maintenance	Software Support	1/15/97	12/31/99	$35,000	Small Purch. (Single)

Department of Law - Open* Case Files by Section by Type

Section:	02	22	26	28	30	33	44	55	66	70	75	77	88	99	Total
ANC-Collections & Support	0	225	220	3	0	503	186	0	71	0	0	0	0	2	1,210
ANC-Commerical	0	141	12	0	0	1	2	0	125	0	0	0	0	0	281
ANC-Enviromental Affairs	0	23	0	0	4	0	0	0	69	0	0	0	0	6	102
ANC-Fair Business Practices	0	109	0	0	0	0	11	0	128	0	0	0	0	12	260
ANC-Gas, Oil & Mining	0	143	0	0	0	0	0	0	103	0	0	0	0	5	251
ANC-Govt Affairs & Contr	0	164	0	0	0	5	12	0	284	0	0	0	0	8	473
ANC-Human Services	0	518	0	0	0	39	1,788	0	84	0	0	0	0	0	2,429
ANC-Natural Resources	0	141	6	0	0	4	1	0	237	0	0	1	0	12	402
ANC-Special Litigation	0	2	0	0	199	0	0	0	146	0	0	0	0	0	347
ANC-Transportation	0	44	0	0	0	0	0	0	132	0	0	0	0	2	178
ANC-Welfare Fraud	0	36	11	0	0	4	0	36	10	92	0	0	0	0	189
Barrow Office	0	0	0	0	0	0	94	0	0	0	0	0	0	0	94
Bethel AGO	0	0	0	0	0	0	155	0	2	0	0	0	0	0	157
FAI-Collections & Support	0	31	0	0	0	257	11	0	1	0	0	0	0	0	300
FAI-General Civil	0	17	0	0	1	4	5	0	13	0	0	0	0	0	40
FAI-Human Services	0	20	0	0	0	7	355	0	24	0	0	0	0	0	406
FAI-Natural Resources	0	8	0	0	0	0	0	0	107	0	0	0	0	1	116
FAI-Special Litigation	0	9	0	0	23	0	1	0	36	0	0	0	0	0	69
FAI-Transporation	0	58	0	0	8	0	2	0	175	0	0	0	0	0	243
Jun-Commercial	0	142	15	0	0	0	0	0	65	0	0	0	0	27	249
Jun-Govt Affairs & Contr	1	157	0	0	2	0	0	0	195	0	0	0	0	4	359
Jun-Human Services	0	90	0	0	0	66	186	0	254	0	0	0	0	32	628
Jun-Legis/Regs	0	0	0	0	0	0	0	0	8	0	0	2	1	13	24
Jun-Natural Resources	0	53	0	0	0	0	0	0	111	0	0	0	0	7	171
Jun-Oil, Gas & Mining	0	100	0	0	0	2	0	0	37	0	0	0	0	1	140
Jun-Special Litigation	0	5	0	0	44	1	0	0	14	0	0	0	0	0	64
Jun-Transportation	0	45	0	0	5	0	0	0	40	0	0	0	0	2	92
Total	1	2,281	264	3	286	893	2,809	36	2,471	92	0	3	1	134	9,274

***Open Case Files - For the purposes of this report an "Open" case file is any case file that is currently open in Javelan timekeeping and billing purposes, and does not indicate or imply the legal status of a particular matter.**

11/22/99

FY99 Billable Hours by Client

Client ID	Client Name	Billable Hours	Bill Value
0100	GOV/EXEC OFFICE	1,799.60	155,801.80
0102	GOV/OMB	192.30	16,842.32
0103	GOV/GOV COORDINATION	1,607.30	144,428.47
0105	GOV/D.C. OFFICE	6.80	610.27
0199	GOV/OTHER	1,192.10	100,918.26
0201	LT GOV/ELECTIONS	1,658.90	145,108.81
0299	LT GOV/OTHER	97.20	8,637.68
0300	APOC	2,176.00	189,559.51
0400	ADMIN/RET&BENEFITS	980.50	85,115.19
0402	ADMIN/GEN SVC SUPPLY	752.70	66,843.89
0403	ADMIN/PERSONNEL	341.50	30,086.53
0404	ADMIN/LABOR RELATIONS	739.80	64,863.06
0405	ADMIN/FINANCE	23.50	2,151.93
0406	ADMIN/INFO SERVICES	54.20	4,854.96
0407	ADMIN/SENIOR SERVICES	163.20	13,740.97
0411	ADMIN/O&G CONS COMM	1,028.10	90,477.14
0412	ADMIN/LONGEVITY	49.50	4,441.11
0413	ADMIN/DIV OF MOTOR VEHICLE(DMV	18.80	1,644.98
0499	ADMIN/OTHER	235.90	21,115.86
0501	CED/Div. of Banking, Securities & Corporations	663.60	59,271.08
0502	CED/Occupational Licensing	4,225.20	375,923.44
0505	CED/INSURANCE	2,500.70	231,713.22
0507	CED/AIDEA	695.50	63,989.72
0509	CED/INVESTMENTS	492.80	44,684.50
0512	CED/DEVELOPMENT	17.90	1,232.39
0516	CED/SCIENCE&TECH FOUNDATION	16.30	1,436.73
0599	CED/OTHER	229.10	19,718.85
0600	Regulatory Commission of Alaska	3,243.80	299,253.63
0900	CED/(formerly C&RA)	505.00	43,214.38
1004	EDUC/EXECUTIVE ADMINISTRATIVE	1,144.00	103,580.58

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FY99 Billable Hours by Client

Client ID	Client Name	Billable Hours	Bill Value
1005	EDUC/SCHOOL FINANCE	864.50	75,127.97
1006	EDUC/SCHOOL FACILITIES	140.30	12,637.66
1007	EDUC/TEACHING&LEARNING SUPPORT	317.50	28,186.88
1008	EDUC/ALYESKA CENTRAL SCHOOL	38.00	3,523.36
1009	EDUC/AK ST COUNCIL ON THE ART	7.00	649.04
1010	EDUC/ AK VOC TECHNICAL CENTER	12.10	945.68
1011	EDUC/MT EDGECUMBE BOARDING SCH	2.40	222.52
1012	LABOR/ VOC REHABILITATION	110.60	9,513.05
1013	EDUC/ AK LIB, ARCH & MUSEUMS	74.90	6,851.99
1020	EDUC/ADAK REG SCH DIST	2.50	231.80
1030	PROF TEACHING PRACTICES COMM	215.10	19,943.78
1049	EDUC/OTHER	193.10	17,845.40
1050	POST SEC ED COMM	2,767.60	229,526.77
1100	ENV CONS/HQ	11,031.10	971,247.64
1200	F&G/COMML FISH	781.60	70,477.31
1201	F&G/SPORT FISH	869.20	76,790.46
1202	F&G/SUBSISTENCE	128.20	11,681.30
1203	F&G/BD OF FISH	794.20	69,777.92
1204	F&G/BD OF GAME	605.10	53,488.86
1205	F&G/ FUND	635.60	58,018.01
1206	F&G/TRUSTEE COUNCIL	4.60	404.23
1299	F&G/OTHER	4,424.90	393,014.57
1300	CFEC	694.40	61,053.73
1401	CORRECTIONS	1,997.10	173,247.52
1402	H&SS/CINA	28,478.48	2,401,747.79
1403	H&SS/MENTAL	1,211.60	102,511.63
1404	H&SS/GUARDIANSHIPS	18.90	1,561.05
1406	H&SS/FAM & YOUTH SVC	1,036.30	88,184.58
1407	H&SS/PUB ASSIST	401.20	35,405.98
1408	H&SS/ALC & DRUG	250.30	22,324.62

11/22/99

FY99 Billable Hours by Client

Client ID	Client Name	Billable Hours	Bill Value
1409	H&SS/PUB HEALTH	341.10	28,195.54
1410	H&SS/MEDICAL ASSIST	6,158.20	547,004.09
1411	H&SS/WELFARE FRAUD	2,250.60	185,327.35
1412	H&SS/JUV DELINQ	4,107.20	354,008.38
1413	H&SS/LICENSING	339.40	30,428.90
1499	H&SS/OTHER	672.90	59,688.40
1500	HUMAN RTS COMMN	1,005.80	89,312.69
1701	LABOR/ESD	760.10	70,423.60
1702	LABOR/OSHA	1,578.80	143,141.07
1703	LABOR/WG&HR	318.00	29,478.22
1704	LABOR/WORK COMP	242.80	21,919.82
1799	LABOR/OTHER	112.50	10,049.01
1800	MILITARY AFFAIRS	1,563.90	142,452.09
1801	MILITARY AFFAIRS EMERG/SVCS	80.20	7,436.12
1902	DNR/OIL & GAS	8,398.00	697,668.59
1903	DNR/PARKS	418.80	36,920.49
1904	DNR/PIPELINE COORD	827.00	74,990.83
1906	DNR/NAVIGABILITY	1,303.90	116,055.61
1907	DNR/FORESTRY	117.10	8,107.19
1914	DNR/MINING	1,427.40	123,278.20
1915	DNR/AGRICULTURE	1,041.60	95,051.74
1916	DNR/LAND	5,467.20	479,920.02
1917	DNR/WATER	196.30	17,348.24
1918	DNR/ RS 2477	128.80	11,942.10
1999	DNR/OTHER	1,524.50	126,304.88
2001	PUB SAF/TROOPERS	16.20	1,428.96
2002	PUB SAF/FIRE PREV	11.90	1,066.24
2099	PUB SAF/OTHER	165.80	14,201.27
2108	DOT/STATEWIDE	609.20	54,975.05
2109	DOT/MARINE HWY SYS	2,172.40	190,128.78

11/22/99

FY99 Billable Hours by Client

Client ID	Client Name	Billable Hours	Bill Value
2110	DOT/SOUTHEAST REGION	1,312.20	114,679.27
2111	DOT/CENTRAL REGION	4,635.10	414,351.24
2112	DOT/NORTHERN REGION	4,829.20	446,797.36
2113	DOT/INTERNATL AIRPORTS	2,190.70	201,858.34
2201	REV/INCOME&EXCISE TAX	1,908.50	162,393.41
2202	REV/ABC BD	910.70	81,715.61
2203	REV/CSED	12,845.49	1,111,206.52
2204	REV/PERM FUND CORP	92.70	8,567.30
2205	REV/AHFC	3,309.70	303,532.72
2206	REV/OIL&GAS AUDIT	6,554.80	539,788.68
2207	REV/TREASURY	437.60	38,175.76
2209	REV/PERM FUND DIVIDEND	889.80	80,954.05
2211	REV/GAMING	35.10	3,254.47
2299	REV/OTHER	424.20	37,913.48
2301	LAW/ANTI-TRUST	1,229.60	106,529.44
2302	LAW/CONS PROT	3,125.90	250,272.02
2303	LAW/CRIM DIV	2.20	201.90
2304	LAW/EXEC ETHICS ACT	1,033.90	79,629.27
2305	LAW/PROVIDER FRAUD	270.30	15,008.11
2312	LAW/ OIL & GAS	5,691.60	449,568.93
2313	LAW/ COLLECTION	354.39	25,085.88
2314	LAW/REGULATIONS	2,760.40	200,687.88
2315	LAW/LEGIS DRAFTING	1,601.80	124,592.57
2316	LAW/LEGIS REVIEW	492.60	43,122.08
2317	LAW/EXXON	3,075.60	266,180.57
2318	LAW/NATIVE SOVEREIGNTY	536.20	49,716.34
2399	LAW/OTHER	3,705.59	296,469.05
3100	LEGISLATURE	85.30	7,453.72
3200	LEGISLATIVE AFFAIRS	1.50	139.08
4100	COURT SYSTEM	786.20	61,514.67

11/22/99

FY99 Billable Hours by Client

Client ID	Client Name	Billable Hours	Bill Value
5100	UNIVERSITY OF ALASKA	93.70	8,524.65
7777	INS TENDERS/TORT	26,034.50	2,232,318.96
Grand Total:		219,574.85	18,917,861.16

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Human Services	ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50
	F&G/BD OF GAME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	4.00
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.80	0.00	0.00	0.00	45.60	0.00	53.40
	GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32.90	0.00	0.00	0.00	0.00	0.00	32.90
	H&SS/ALC & DRUG	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.10	0.00	0.00	0.00	0.00	0.00	22.10
	H&SS/CINA	0.00	40.90	0.00	0.00	0.00	3,473.70	0.00	51.90	0.00	0.00	0.00	0.00	0.00	3,566.50
	H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	327.40	0.00	0.00	51.30	0.00	4.40	383.10
	H&SS/GUARDIANSHIPS	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.20	0.00	0.00	0.00	0.00	0.00	2.20
	H&SS/LICENSING	0.00	56.60	0.00	0.00	0.00	0.00	0.00	2.90	0.00	0.00	35.60	0.00	0.20	95.30
	H&SS/MEDICAL ASSIST	36.80	836.90	0.00	0.00	0.00	0.00	0.00	652.60	0.00	0.00	0.00	0.00	426.50	1,952.80
	H&SS/MENTAL	0.20	114.10	0.00	0.00	0.00	0.00	0.00	307.10	0.00	0.00	20.10	0.00	10.50	452.00
	H&SS/OTHER	2.30	24.90	0.00	0.00	0.00	0.00	0.00	143.80	0.00	0.00	2.20	0.00	1.40	174.60
	H&SS/PUB ASSIST	0.30	70.40	0.00	0.00	0.00	0.00	0.00	228.70	0.00	0.00	28.00	0.00	45.10	372.50
	H&SS/PUB HEALTH	0.00	40.30	0.00	0.00	0.00	0.00	0.00	201.90	0.00	0.00	0.00	0.00	82.10	324.30
	HUMAN RTS COMMN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.50
	INS TENDERS/TORT	0.00	0.00	0.00	2.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.10
	LABOR/ VOC REHABILI	0.00	25.50	0.00	0.00	0.00	0.00	0.00	77.30	0.00	0.00	0.00	0.00	4.60	107.40
	LABOR/ESD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	LABOR/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.40	0.00	0.00	0.00	0.00	0.00	4.40
	LABOR/WG&HR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60	0.00	0.00	0.00	0.00	0.00	0.60
	LAW/EXEC ETHICS ACT	0.00	43.80	0.00	0.00	0.00	0.00	0.00	9.20	0.00	0.00	0.00	0.00	0.00	53.00
	LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.50	0.00	0.00	0.00	0.00	0.00	25.50
	LAW/NATIVE SOVEREIGN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30
	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75.60	0.00	0.00	0.00	0.00	0.00	75.60
	LEGISLATURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.50	0.00	0.00	0.00	0.00	0.00	6.50
	LT GOV/ELECTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.50
	PROF TEACHING PRACTI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.50	0.00	0.00	0.00	0.00	0.00	6.50
	REV/CSED	0.00	392.10	0.00	0.00	452.50	0.00	0.00	640.60	0.00	0.00	0.00	0.00	0.00	1,485.20
	REV/INCOME&EXCISE TA	0.30	53.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	54.00
	REV/PERM FUND CORP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.90	0.00	0.00	0.00	0.00	0.00	0.90
	Total	**49.90**	**2,879.90**	**0.00**	**2.10**	**452.50**	**3,473.70**	**0.00**	**4,136.50**	**0.00**	**0.00**	**145.70**	**45.60**	**817.30**	**12,003.20**
Jun-Legis/Regs	CED/BK SEC & CORP	0.00	1.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30
	CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.10	4.10
	CED/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	182.60	182.60
	CFEC	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	DNR/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.70	25.70
	ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	503.70	503.70
	F&G/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	55.70	55.70
	F&G/SPORT FISH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.60	0.00	0.00	0.00	0.00	0.00	28.60
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	165.80	0.00	165.80
	GOV/GOV COORDINATION	37.60	23.00	0.00	0.00	0.00	0.00	0.00	240.60	0.00	0.00	0.00	0.00	13.20	314.40
	H&SS/MEDICAL ASSIST	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	73.10	73.60
	H&SS/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	130.90	130.90
	H&SS/PUB HEALTH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10	0.00	0.00	0.00	0.00	0.00	1.10
	LAW/LEGIS DRAFTING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,594.90	0.00	0.00	1,594.90
	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	191.50	0.00	0.00	0.00	0.00	478.40	669.90
	LAW/REGULATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,758.80	2,758.80

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Legis/Regs	PUB SAF/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43.20	43.20
	REV/INCOME&EXCISE TA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.30	4.30
	REV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	65.80	65.80
	Total	**37.60**	**26.80**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**461.80**	**0.00**	**0.00**	**1,594.90**	**165.80**	**4,339.50**	**6,626.40**
Jun-Natural Resources	CED/(formerly C&RA)	0.00	6.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.30
	CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30
	CED/OTHER	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	CFEC	21.70	176.40	0.00	0.00	0.00	0.00	0.00	30.50	0.00	0.00	134.30	0.00	22.20	385.10
	CORRECTIONS	0.00	5.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.20
	DNR/FORESTRY	10.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.60
	DNR/LAND	9.50	175.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	185.20
	DNR/OIL & GAS	0.00	84.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	84.10
	DNR/OTHER	7.90	5.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.30
	DNR/PIPELINE COORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.20
	DNR/WATER	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
	DOT/MARINE HWY SYS	0.00	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	DOT/STATEWIDE	0.00	13.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.70
	EDUC/EXECUTIVE ADMIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.00	0.00	0.00	0.00	0.00	0.00	7.00
	EDUC/OTHER	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.70
	EDUC/SCHOOL FACILITI	0.00	16.60	0.00	0.00	0.00	0.00	0.00	8.00	0.00	0.00	0.00	0.00	0.00	24.60
	ENV CONS/HQ	68.30	346.30	0.00	0.00	0.00	0.00	0.00	849.40	0.00	0.00	0.00	0.00	424.90	1,688.90
	F&G/ FUND	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.70
	F&G/BD OF FISH	59.90	1.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39.20	0.00	277.50	378.00
	F&G/COMML FISH	32.00	47.50	0.00	0.00	0.00	0.00	0.00	118.90	0.00	0.00	0.00	0.00	7.10	205.50
	F&G/OTHER	65.20	55.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	122.80
	F&G/SPORT FISH	38.70	0.00	0.00	0.00	0.00	0.00	0.00	2.60	0.00	0.00	0.00	0.00	0.00	41.30
	F&G/SUBSISTENCE	0.00	2.90	0.00	0.00	0.00	0.00	0.00	46.60	0.00	0.00	0.00	0.00	0.00	49.50
	GOV/EXEC OFFICE	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	30.40	8.20	0.00	40.00
	GOV/GOV COORDINATION	200.30	64.70	0.00	0.00	0.00	0.00	0.00	749.80	0.00	0.00	0.00	0.00	248.10	1,262.90
	GOV/OTHER	39.90	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	40.90
	H&SS/ALC & DRUG	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
	H&SS/PUB HEALTH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.80	0.00	0.00	0.00	0.00	0.00	7.80
	LABOR/OSHA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.40
	LAW/EXEC ETHICS ACT	3.10	0.00	0.00	0.00	0.00	0.00	0.00	48.70	0.00	0.00	0.00	0.00	0.00	51.80
	LAW/LEGIS REVIEW	2.00	0.00	0.00	0.00	0.00	0.00	0.00	50.70	0.00	0.00	0.00	0.00	0.00	52.70
	LAW/NATIVE SOVEREIGN	92.00	253.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	345.50
	LAW/OTHER	236.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	236.70
	LEGISLATURE	2.50	0.00	0.00	0.00	0.00	0.00	0.00	32.50	0.00	0.00	0.00	0.00	0.00	35.00
	LT GOV/ELECTIONS	0.00	5.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00	7.50
	LT GOV/OTHER	1.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.80
	MILITARY AFFAIRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00	2.50
	RCA	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00	0.00	0.00	5.00
	Total	**897.70**	**1,261.20**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**1,965.20**	**0.00**	**0.00**	**203.90**	**8.20**	**982.20**	**5,318.40**
Jun-Oil, Gas & Mining	ADMIN/GEN SVC SUPPLY	0.00	35.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	35.50
	ADMIN/LABOR RELATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.50
	ADMIN/O&G CONS COMM	0.00	33.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33.20

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Oil, Gas & Mining	ADMIN/RET&BENEFITS	1.50	3.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.80
	DNR/OIL & GAS	10.00	959.30	0.00	0.00	0.00	0.00	0.00	57.90	0.00	0.00	6.10	0.00	0.00	1,033.30
	DNR/PIPELINE COORD	0.50	66.40	0.00	0.00	0.00	0.00	0.00	749.60	0.00	0.00	0.00	0.00	0.00	816.50
	DOT/CENTRAL REGION	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	DOT/INTERNATL AIRPOR	4.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.70
	DOT/MARINE HWY SYS	0.00	52.30	0.00	0.00	0.00	0.00	0.00	9.00	0.00	0.00	0.00	0.00	0.00	61.30
	DOT/SOUTHEAST REGION	0.00	10.30	0.00	0.00	0.00	0.00	0.00	5.70	0.00	0.00	0.00	0.00	0.00	16.00
	EDUC/EXECUTIVE ADMIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	0.00	0.00	0.00	0.00	0.00	8.00
	EDUC/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.10	0.00	0.00	0.00	0.00	0.00	6.10
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.20	0.00	0.00	0.00	4.10	0.00	17.30
	GOV/GOV COORDINATION	0.00	5.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.90
	GOV/OTHER	0.00	1.50	0.00	0.00	0.00	0.00	0.00	159.30	0.00	0.00	0.00	0.00	0.00	160.80
	H&SS/ALC & DRUG	0.00	10.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.10
	H&SS/CINA	0.00	10.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.50
	H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30	0.00	0.00	0.00	0.00	0.00	1.30
	H&SS/GUARDIANSHIPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	H&SS/MEDICAL ASSIST	0.00	141.60	0.00	0.00	0.00	0.00	0.00	3.50	0.00	0.00	0.00	0.00	0.00	145.10
	H&SS/MENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.10	0.00	0.00	0.00	0.00	0.00	16.10
	H&SS/PUB HEALTH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.20
	INS TENDERS/TORT	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00
	LABOR/OSHA	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	LAW/ OIL & GAS	0.00	2,835.70	0.00	0.00	0.00	0.00	0.00	8.40	0.00	0.00	0.00	0.00	0.00	2,844.10
	LAW/CONS PROT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.80	0.00	0.00	0.00	0.00	0.00	12.80
	LAW/EXEC ETHICS ACT	0.00	250.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.30
	LAW/LEGIS REVIEW	12.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.10
	LAW/OTHER	1.00	25.20	0.00	0.00	0.00	0.00	0.00	20.00	0.00	0.00	0.00	0.00	0.00	46.20
	PUB SAF/OTHER	0.00	2.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50
	REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	70.90	0.00	0.00	0.00	0.00	0.00	70.90
	REV/INCOME&EXCISE TA	0.00	665.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	665.90
	REV/OIL&GAS AUDIT	0.00	70.20	0.00	0.00	0.00	0.00	0.00	10.10	0.00	0.00	0.00	0.00	0.00	80.30
	REV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.40	0.00	0.00	6.40
	Total	**29.80**	**5,182.10**	**0.00**	**3.00**	**0.00**	**0.00**	**0.00**	**1,153.60**	**0.00**	**0.00**	**12.50**	**4.10**	**0.00**	**6,385.10**
Jun-Special Litigation	ADMIN/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	49.60	0.00	0.00	49.60
	CORRECTIONS	0.00	1.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.90
	DOT/MARINE HWY SYS	0.00	50.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.90
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21.10	0.00	21.10
	H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	4.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.30
	INS TENDERS/TORT	91.70	0.00	0.00	3,687.30	0.00	0.00	0.00	95.90	0.00	0.00	0.00	0.00	0.00	3,874.90
	LAW/EXEC ETHICS ACT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30
	PUB SAF/FIRE PREV	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.90	0.00	0.00	0.00	0.00	0.00	11.90
	REV/INCOME&EXCISE TA	0.00	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10
	Total	**91.70**	**53.90**	**0.00**	**3,691.60**	**0.00**	**0.00**	**0.00**	**108.10**	**0.00**	**0.00**	**49.60**	**21.10**	**0.00**	**4,016.00**
Jun-Transportation	ADMIN/GEN SVC SUPPLY	0.00	154.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	154.00
	CORRECTIONS	0.00	30.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00
	DNR/PIPELINE COORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50
	DOT/CENTRAL REGION	0.00	44.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.50	55.50
	DOT/MARINE HWY SYS	0.00	1,198.30	0.00	0.00	0.00	0.00	0.00	339.00	0.00	0.00	0.00	0.00	44.50	1,581.80

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Transportation	DOT/NORTHERN REGION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	0.00	0.00	0.00	0.00	0.00	8.00
	DOT/SOUTHEAST REGION	0.00	1,047.40	0.00	0.00	0.00	0.00	0.00	89.00	0.00	0.00	0.00	0.00	0.00	1,136.40
	DOT/STATEWIDE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	114.00	0.00	0.00	58.50	0.00	41.50	214.00
	EDUC/EXECUTIVE ADMIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24.50	0.00	0.00	0.00	0.00	0.00	24.50
	EDUC/TEACHING&LEARNI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.50	0.00	0.00	0.00	0.00	0.00	13.50
	F&G/ FUND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20	0.00	0.00	0.00	0.00	0.00	1.20
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43.00	0.00	43.00
	GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	181.10	0.00	0.00	181.10
	H&SS/ALC & DRUG	0.00	151.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	151.00
	H&SS/MEDICAL ASSIST	0.00	599.90	0.00	0.00	0.00	0.00	0.00	22.40	0.00	0.00	0.00	0.00	0.00	622.30
	INS TENDERS/TORT	0.00	0.00	0.00	14.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.50
	LABOR/WG&HR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.90	0.00	0.00	0.00	0.00	0.00	3.90
	LAW/CONS PROT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	236.80	0.00	0.00	0.00	0.00	0.00	236.80
	LAW/EXEC ETHICS ACT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	155.50	0.00	0.00	0.00	0.00	0.00	155.50
	LAW/OTHER	0.00	0.30	0.00	0.00	0.00	0.00	0.00	48.40	0.00	0.00	0.00	0.00	0.00	48.70
	LT GOV/ELECTIONS	41.00	2.00	0.00	0.00	0.00	0.00	0.00	16.50	0.00	0.00	0.00	0.00	0.00	59.50
	POST SEC ED COMM	0.00	3.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.50
	REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	175.30	0.00	0.00	0.00	0.00	0.00	175.30
	REV/CSED	0.00	15.50	0.00	0.00	0.00	0.00	0.00	6.80	0.00	0.00	0.00	0.00	0.00	22.30
	REV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.30	0.00	0.00	0.00	0.00	0.00	2.30
	Total	41.00	3,245.90	0.00	14.50	0.00	0.00	0.00	1,257.60	0.00	0.00	239.60	43.00	97.50	4,939.10
Total		5,803.50	75,191.70	2,549.20	23,617.00	7,412.00	32,941.40	638.10	52,658.00	1,265.30	148.50	3,486.10	741.10	13,118.20	219,570.10

**File Types - 02 Oral Advice; 22 General Litigation; 26 Executions; 30 Insurance Tenders; 33 CSE Proceedings; 44 Children's Proceedings; 55 Welfare Fraud Investigations; 66 Aid to Agency; 70 Welfare Fraud Litigation; 75 Medicaid Provider Fraud Invest; 77 Legislative Drafting; 88 Legislative Review; and 99 Regulation Review.

Dept. of Law - FY99 Billed Hours by Case/File Type

11/26/99

Section	Client	02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Collections & Support	ADMIN/DIV OF MOTOR V	0.00	0.00	2.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.90
	ADMIN/SENIOR SERVICE	0.00	0.50	2.10	0.00	0.00	0.00	0.00	29.20	0.00	0.00	0.00	0.00	0.00	31.80
	APOC	0.00	0.00	49.60	0.00	0.00	0.00	0.00	31.80	0.00	0.00	0.00	0.00	0.00	81.40
	CED/(formerly C&RA)	0.00	0.00	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60
	CED/INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	CED/OCC LICENSING	0.00	3.00	2.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.10
	CORRECTIONS	0.00	0.00	243.00	0.00	0.00	0.00	0.00	2.30	0.00	0.00	0.00	0.00	0.00	245.30
	COURT SYSTEM	0.00	1.50	3.00	0.00	0.00	0.00	0.00	565.60	0.00	0.00	0.00	0.00	0.00	570.10
	DNR/AGRICULTURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30
	DNR/FORESTRY	0.00	0.00	2.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.70
	DNR/OTHER	0.00	0.00	9.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.40
	DOT/CENTRAL REGION	0.00	0.00	28.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.10
	DOT/INTERNATL AIRPOR	0.00	0.60	1.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.80
	ENV CONS/HQ	0.00	0.00	4.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60
	F&G/ FUND	0.00	0.00	0.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80
	F&G/OTHER	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	1,144.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,144.20
	H&SS/FAM & YOUTH SVC	0.00	0.00	4.40	0.00	0.00	0.00	0.00	139.00	0.00	0.00	0.00	0.00	0.00	143.40
	H&SS/GUARDIANSHIPS	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	27.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.80
	H&SS/LICENSING	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
	H&SS/MENTAL	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
	H&SS/WELFARE FRAUD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.40
	INS TENDERS/TORT	0.00	0.00	46.40	0.00	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	46.50
	LABOR/OSHA	0.00	28.70	0.00	0.00	0.00	0.00	0.00	30.50	0.00	0.00	0.00	0.00	0.00	59.20
	LABOR/WORK COMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.20
	LAW/ COLLECTION	0.00	0.00	321.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	321.60
	LAW/CONS PROT	0.00	0.00	4.10	0.00	0.00	0.00	0.00	5.20	0.00	0.00	0.00	0.00	0.00	9.30
	LAW/OTHER	0.00	0.00	1,623.90	0.00	0.00	0.00	0.00	14.90	0.00	0.00	0.00	0.00	0.00	1,638.80
	POST SEC ED COMM	0.00	1.20	2.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.10
	PROF TEACHING PRACTI	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00
	PUB SAF/OTHER	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	RCA	0.00	4.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.70
	REV/ABC BD	0.00	3.10	3.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.90
	REV/CSED	0.00	1,674.80	1.00	0.00	4,826.00	0.00	0.00	2,031.20	0.00	0.00	3.60	0.00	137.00	8,673.60
	REV/OTHER	0.00	0.00	4.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60
	REV/PERM FUND DIVIDE	0.00	28.20	6.30	0.00	0.00	0.00	0.00	19.70	0.00	0.00	0.00	0.00	0.00	54.20
	Total	0.00	1,750.90	2,373.10	0.00	4,826.00	1,172.00	0.00	2,870.40	0.00	0.00	3.60	0.00	137.00	13,133.00
ANC-Commerical	CED/BK SEC & CORP	0.00	6.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.80
	CED/INSURANCE	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	CED/INVESTMENTS	0.00	365.50	10.40	0.00	0.00	0.00	0.00	38.20	0.00	0.00	0.00	0.00	0.00	414.10
	CED/OCC LICENSING	0.00	9.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.30
	DNR/AGRICULTURE	0.00	186.10	119.90	0.00	0.00	0.00	0.00	449.60	0.00	0.00	0.00	0.00	8.60	764.20
	DNR/MINING	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Commerical	DNR/OIL & GAS	0.00	786.70	0.00	0.00	0.00	0.00	0.00	613.30	0.00	0.00	0.00	0.00	30.60	1,430.60
	DOT/CENTRAL REGION	0.00	1.30	0.00	0.00	0.00	0.00	0.00	1.10	0.00	0.00	0.00	0.00	0.00	2.40
	DOT/INTERNATL AIRPOR	0.00	21.10	0.00	0.00	0.00	0.00	0.00	13.80	0.00	0.00	0.00	0.00	0.00	34.90
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.30	0.00	13.30
	GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.40
	H&SS/ALC & DRUG	0.00	25.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.20
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	10.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.60
	H&SS/GUARDIANSHIPS	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	3.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.30
	H&SS/MEDICAL ASSIST	0.00	18.90	0.00	0.00	0.00	0.00	0.00	26.90	0.00	0.00	0.00	0.00	0.00	45.80
	LABOR/ESD	0.00	358.20	0.00	0.00	0.00	0.00	0.00	146.80	0.00	0.00	0.00	0.00	0.00	505.00
	LABOR/OSHA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.40
	LAW/ OIL & GAS	0.00	62.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	62.80
	LAW/ANTI-TRUST	0.00	430.70	0.00	0.00	0.00	0.00	0.00	605.90	0.00	0.00	0.00	0.00	0.00	1,036.60
	LAW/CONS PROT	14.00	113.00	0.00	0.00	0.00	0.00	0.00	2,130.00	0.00	0.00	0.00	0.00	0.00	2,257.00
	LAW/EXEC ETHICS ACT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	3.00
	LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.90	0.00	0.00	0.00	0.00	0.00	44.90
	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.70	0.00	0.00	0.00	0.00	0.00	26.70
	PUB SAF/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.20
	RCA	0.00	31.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31.30
	REV/AHFC	0.00	1,409.90	0.60	0.00	0.00	0.00	0.00	1,622.30	0.00	0.00	0.00	0.00	0.00	3,032.80
	REV/CSED	0.00	3.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.60
	REV/OIL&GAS AUDIT	0.00	7.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.60
	REV/PERM FUND DIVIDE	0.00	7.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.30
	Total	**14.00**	**3,858.30**	**130.90**	**0.00**	**0.00**	**13.90**	**0.00**	**5,723.10**	**0.00**	**0.00**	**0.00**	**13.70**	**39.20**	**9,793.10**
ANC-Enviromenta l Affairs	ADMIN/GEN SVC SUPPLY	0.00	176.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.10	185.40
	APOC	0.00	113.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	113.60
	CORRECTIONS	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	DNR/LAND	0.00	61.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.90	0.00	0.00	103.70
	DNR/OIL & GAS	0.00	18.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.10
	DNR/PARKS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30
	DOT/CENTRAL REGION	0.00	16.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.40
	DOT/INTERNATL AIRPOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50
	DOT/NORTHERN REGION	0.00	23.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23.20
	DOT/STATEWIDE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.50	3.50
	EDUC/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60	0.60
	ENV CONS/HQ	952.10	1,737.50	0.00	0.00	0.00	0.00	0.00	2,770.90	0.00	0.00	51.00	0.00	731.50	6,243.00
	GOV/EXEC OFFICE	0.00	110.50	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	15.70	0.00	130.20
	H&SS/GUARDIANSHIPS	0.00	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	H&SS/MEDICAL ASSIST	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70
	H&SS/MENTAL	0.00	6.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00
	INS TENDERS/TORT	0.00	0.00	0.00	274.10	0.00	0.00	0.00	50.30	0.00	0.00	0.00	0.00	0.00	324.40
	LAW/EXXON	0.00	2,762.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,762.20
	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.60	0.00	0.00	0.00	0.00	0.00	7.60
	LT GOV/ELECTIONS	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	POST SEC ED COMM	0.00	5.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.40
	RCA	0.00	7.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.50
	REV/OIL&GAS AUDIT	0.00	42.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42.30

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Enviromenta Total		952.10	5,087.00	0.00	274.10	0.00	0.00	0.00	2,833.60	0.00	0.00	92.90	15.70	744.70	10,000.10
l Affairs															
ANC-Fair Business	ADMIN/SENIOR SERVICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00
Practices	APOC	0.00	8.90	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	9.30
	CED/INSURANCE	13.40	734.30	0.00	0.00	0.00	0.00	0.00	1,701.20	0.00	0.00	0.00	0.00	46.00	2,494.90
	CED/INVESTMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.10
	CED/OCC LICENSING	0.00	971.50	0.00	0.00	0.00	0.00	0.00	425.10	0.00	0.00	0.00	0.00	0.00	1,396.60
	DOT/INTERNATL AIRPOR	0.00	3.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.50
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.20	0.00	0.00	0.00	43.50	0.00	68.70
	GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.90	0.00	0.00	11.50	0.00	0.00	39.40
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	86.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	86.70
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	H&SS/MEDICAL ASSIST	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
	H&SS/MENTAL	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	INS TENDERS/TORT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50
	LABOR/ESD	0.00	1.50	0.00	0.00	0.00	0.00	0.00	8.40	0.00	0.00	0.00	0.00	0.00	9.90
	LABOR/WG&HR	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
	LABOR/WORK COMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.40	0.00	0.00	18.40
	LAW/ANTI-TRUST	0.00	71.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	71.20
	LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	85.40	0.00	0.00	0.00	0.00	0.00	85.40
	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	152.90	0.00	0.00	0.00	0.00	0.00	152.90
	POST SEC ED COMM	0.00	394.90	0.00	0.00	0.00	0.00	0.00	1,622.70	0.00	0.00	0.00	0.00	27.90	2,045.50
	PROF TEACHING PRACTI	0.00	89.40	0.00	0.00	0.00	0.00	0.00	28.60	0.00	0.00	81.20	0.00	4.00	203.20
	RCA	0.00	1,927.50	0.00	0.00	0.00	0.00	0.00	1,217.10	0.00	0.00	0.00	0.00	28.90	3,173.50
	REV/PERM FUND DIVIDE	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	1.20
	Total	13.40	4,206.70	0.00	0.00	0.00	88.20	0.00	5,297.20	0.00	0.00	111.10	43.50	106.80	9,866.90
ANC-Gas, Oil & Mining	ADMIN/O&G CONS COMM	0.00	273.00	0.00	0.00	0.00	0.00	0.00	320.60	0.00	0.00	0.00	0.00	381.60	975.20
	APOC	0.00	6.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.70
	CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.10	18.10
	CORRECTIONS	0.00	2.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50
	DNR/LAND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80	0.00	0.00	0.00	0.00	0.00	0.80
	DNR/MINING	0.00	1,148.90	0.00	0.00	0.00	0.00	0.00	79.40	0.00	0.00	0.00	0.00	103.50	1,331.80
	DNR/OIL & GAS	0.00	5,014.10	0.00	0.00	0.00	0.00	0.00	661.50	0.00	0.00	0.00	0.00	0.00	5,675.60
	DNR/OTHER	0.00	5.20	0.00	0.00	0.00	0.00	0.00	9.80	0.00	0.00	0.00	0.00	0.00	15.00
	DNR/PIPELINE COORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	2.00
	DOT/INTERNATL AIRPOR	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
	ENV CONS/HQ	0.00	1.00	0.00	0.00	0.00	0.00	0.00	6.00	0.00	0.00	0.00	0.00	0.00	7.00
	F&G/OTHER	0.00	9.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.80
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	51.90	0.00	51.90
	GOV/GOV COORDINATION	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.70	0.00	0.00	0.00	0.00	0.00	3.20
	GOV/OTHER	0.00	17.40	0.00	0.00	0.00	0.00	0.00	337.10	0.00	0.00	0.00	0.00	0.00	354.50
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	13.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.50
	H&SS/GUARDIANSHIPS	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
	H&SS/MENTAL	0.00	7.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.50
	HUMAN RTS COMMN	0.00	15.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.30
	INS TENDERS/TORT	0.00	0.00	0.00	269.70	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	273.70
	LABOR/OSHA	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	LAW/ OIL & GAS	0.00	2,599.00	0.00	0.00	0.00	0.00	0.00	172.80	0.00	0.00	0.00	0.00	0.00	2,771.80

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Gas, Oil & Mining	LAW/CONS PROT	0.00	4.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.50
	LAW/EXXON	0.00	10.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.50
	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	66.10	0.00	0.00	0.00	0.00	0.00	66.10
	RCA	0.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00
	REV/AHFC	0.00	2.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.30
	REV/CSED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	REV/INCOME&EXCISE TA	0.00	41.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.70
	REV/OIL&GAS AUDIT	0.00	3,388.90	0.00	0.00	0.00	0.00	0.00	424.00	0.00	0.00	0.00	0.00	2,315.90	6,128.80
	REV/OTHER	0.00	274.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	275.60
	Total	0.00	12,832.40	0.00	269.70	0.00	13.50	0.00	2,085.80	0.00	0.00	1.00	51.90	2,819.10	18,073.40
ANC-Govt Affairs & Contr	ADMIN/LABOR RELATION	9.30	75.20	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	184.50
	ADMIN/O&G CONS COMM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	1.50	1.80
	ADMIN/OTHER	0.00	41.10	0.00	0.00	0.00	0.00	0.00	33.50	0.00	0.00	0.00	0.00	0.00	74.60
	ADMIN/PERSONNEL	17.20	68.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	85.70
	APOC	8.60	1,305.70	0.00	0.00	0.00	0.00	0.00	421.20	0.00	0.00	0.00	0.00	0.00	1,735.50
	CED/(formerly C&RA)	0.00	33.10	0.00	0.00	0.00	0.00	0.00	249.70	0.00	0.00	1.50	0.00	0.00	284.30
	CED/AIDEA	0.00	88.50	0.00	0.00	0.00	0.00	0.00	382.10	0.00	0.00	85.20	0.00	0.00	555.80
	CED/INSURANCE	0.00	3.40	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	3.80
	CED/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00
	CORRECTIONS	0.10	1,018.20	0.00	0.00	0.00	0.00	0.00	10.70	0.00	0.00	0.00	0.00	0.00	1,029.00
	COURT SYSTEM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.40
	DNR/AGRICULTURE	0.00	0.00	9.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.90
	DNR/LAND	0.00	11.40	0.00	0.00	0.00	0.00	0.00	1.90	0.00	0.00	0.00	0.00	0.00	13.30
	DNR/NAVIGABILITY	0.00	8.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.70
	DNR/OIL & GAS	0.00	74.00	0.00	0.00	0.00	0.00	0.00	7.10	0.00	0.00	0.00	0.00	0.00	81.10
	DNR/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	444.60	0.00	0.00	0.00	0.00	0.00	444.60
	DOT/CENTRAL REGION	0.00	105.00	0.00	0.00	0.00	0.00	0.00	11.00	0.00	0.00	0.00	0.00	0.00	116.00
	DOT/INTERNATL AIRPOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.60	0.00	0.00	0.00	0.00	0.00	15.60
	DOT/MARINE HWY SYS	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	DOT/NORTHERN REGION	0.00	44.10	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	45.10
	ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.10
	F&G/OTHER	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	F&G/TRUSTEE COUNCIL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60	0.00	0.00	0.00	0.00	0.00	4.60
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.20	0.00	0.00	0.00	21.20	0.00	39.40
	GOV/OTHER	1.80	193.90	0.00	0.00	0.00	0.00	0.00	64.60	0.00	0.00	0.00	0.00	0.20	260.50
	H&SS/ALC & DRUG	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00
	H&SS/CINA	0.00	7.30	0.00	0.00	0.00	327.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	335.00
	H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.90	0.00	0.00	0.00	0.00	0.00	1.90
	H&SS/GUARDIANSHIPS	0.00	5.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.70
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	31.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31.00
	H&SS/LICENSING	0.00	64.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	64.20
	H&SS/MEDICAL ASSIST	0.00	2,338.30	0.00	0.00	0.00	0.00	0.00	339.20	0.00	0.00	0.00	0.00	6.90	2,684.40
	H&SS/MENTAL	0.00	3.90	0.00	0.00	0.00	156.70	0.00	57.00	0.00	0.00	0.00	0.00	0.00	217.60
	H&SS/OTHER	4.40	80.50	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	88.90
	HUMAN RTS COMMN	0.00	491.60	0.00	0.00	0.00	0.00	0.00	393.10	0.00	0.00	0.00	0.00	0.00	884.70
	INS TENDERS/TORT	0.00	0.00	0.00	329.30	0.00	0.00	0.00	6.00	0.00	0.00	0.00	0.00	0.00	335.30
	LABOR/ESD	0.20	139.80	0.00	0.00	0.00	0.00	0.00	45.00	0.00	0.00	16.50	0.00	0.00	201.50
	LABOR/OSHA	0.00	1,346.10	0.00	0.00	0.00	0.00	0.00	61.40	0.00	0.00	0.00	0.00	72.10	1,479.60

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Govt Affairs & Contr	LABOR/OTHER	3.00	8.80	0.00	0.00	0.00	0.00	0.00	46.10	0.00	0.00	2.20	0.00	43.80	103.90
	LABOR/WG&HR	0.00	164.10	0.00	0.00	0.00	0.00	0.00	85.50	0.00	0.00	5.40	0.00	37.60	292.60
	LABOR/WORK COMP	0.00	100.00	0.00	0.00	0.00	0.00	0.00	88.60	0.00	0.00	0.00	0.00	7.50	196.10
	LAW/ANTI-TRUST	0.00	73.00	0.00	0.00	0.00	0.00	0.00	48.80	0.00	0.00	0.00	0.00	0.00	121.80
	LAW/CONS PROT	0.00	0.00	5.00	0.00	0.00	0.00	0.00	497.90	0.00	0.00	0.00	0.00	0.00	502.90
	LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.50
	LAW/NATIVE SOVEREIGN	0.00	26.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.70
	LAW/OTHER	22.70	0.00	0.00	0.00	0.00	0.00	0.00	484.90	0.00	0.00	0.00	0.00	0.00	507.60
	LAW/PROVIDER FRAUD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30
	LEGISLATURE	0.80	0.00	0.00	0.00	0.00	0.00	0.00	5.10	0.00	0.00	0.00	0.00	0.00	5.90
	LT GOV/ELECTIONS	12.20	231.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	243.90
	LT GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	55.40	0.00	0.00	0.00	0.00	6.00	61.40
	MILITARY AFFAIRS	0.90	115.00	0.00	0.00	0.00	0.00	0.00	1,007.10	0.00	0.00	0.00	0.00	0.00	1,123.00
	MILITARY AFFAIRS EME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	61.50	0.00	0.00	8.40	0.00	0.00	69.90
	POST SEC ED COMM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.70	0.00	0.00	0.00	0.00	0.00	1.70
	PROF TEACHING PRACTI	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	PUB SAF/OTHER	0.00	1.60	0.00	0.00	0.00	0.00	0.00	7.00	0.00	0.00	0.00	0.00	0.00	8.60
	PUB SAF/TROOPERS	12.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.80
	RCA	1.70	0.00	0.00	0.00	0.00	0.00	0.00	18.60	0.00	0.00	0.00	0.00	0.00	20.30
	REV/ABC BD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00
	REV/AHFC	0.00	0.80	0.00	0.00	0.00	0.00	0.00	7.00	0.00	0.00	0.00	0.00	0.00	7.80
	REV/CSED	0.00	26.60	0.00	0.00	19.70	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.20	48.00
	REV/OIL&GAS AUDIT	0.00	21.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	143.60	164.60
	REV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	3.00
	UNIVERSITY OF ALASKA	0.00	86.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	86.10
	Total	**97.70**	**8,407.10**	**14.90**	**329.30**	**19.70**	**515.40**	**0.00**	**5,096.60**	**0.00**	**0.00**	**119.70**	**21.20**	**319.40**	**14,941.00**
ANC-Human Services	ADMIN/SENIOR SERVICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	47.50	0.00	0.00	0.00	0.00	0.00	47.50
	H&SS/CINA	0.00	2.00	0.00	0.00	0.00	17,572.50	0.00	4.00	0.00	0.00	0.00	0.00	0.00	17,578.50
	H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.60	0.00	0.00	0.00	0.00	0.00	28.60
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	1,993.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,993.50
	H&SS/LICENSING	0.00	63.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	63.80
	H&SS/MEDICAL ASSIST	0.00	14.80	0.00	0.00	0.00	0.00	0.00	156.00	0.00	0.00	0.00	0.00	0.00	170.80
	H&SS/MENTAL	0.00	0.00	0.00	0.00	0.00	438.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	438.60
	H&SS/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00	2.50
	LABOR/WORK COMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.00	0.00	0.00	0.00	0.00	0.00	27.00
	POST SEC ED COMM	0.00	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00
	PUB SAF/OTHER	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70
	Total	**0.00**	**86.30**	**0.00**	**0.00**	**0.00**	**20,004.60**	**0.00**	**265.60**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**20,356.50**
Anc-Medicaid Provider Fraud	LAW/PROVIDER FRAUD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	121.50	0.00	148.50	0.00	0.00	0.00	270.00
	Total	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**121.50**	**0.00**	**148.50**	**0.00**	**0.00**	**0.00**	**270.00**
ANC-Natural Resources	ADMIN/O&G CONS COMM	0.00	17.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17.60
	ADMIN/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.50	0.00	0.00	5.50
	APOC	0.00	134.00	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	138.00
	CED/(formerly C&RA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.80	0.00	0.00	0.00	0.00	0.00	1.80
	CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.60	0.00	0.00	0.00	0.00	1.40	3.00
	CED/OTHER	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Natural Resources	CFEC	0.50	233.40	0.00	0.00	0.00	0.00	0.00	4.20	0.00	0.00	69.00	0.00	0.00	307.10
	COURT SYSTEM	0.40	12.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.90
	DNR/ RS 2477	10.20	117.40	0.00	0.00	0.00	0.00	0.00	1.20	0.00	0.00	0.00	0.00	0.00	128.80
	DNR/AGRICULTURE	0.00	253.10	0.00	0.00	0.00	0.00	0.00	0.60	0.00	0.00	0.00	0.00	0.00	253.70
	DNR/FORESTRY	0.00	9.90	0.00	0.00	0.00	0.00	0.00	66.60	0.00	0.00	15.90	0.00	0.00	92.40
	DNR/LAND	91.90	3,494.00	0.00	0.00	0.00	0.00	0.00	796.60	0.00	0.00	206.30	0.00	21.40	4,610.20
	DNR/MINING	0.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00
	DNR/NAVIGABILITY	0.00	494.00	0.00	0.00	0.00	0.00	0.00	801.20	0.00	0.00	0.00	0.00	0.00	1,295.20
	DNR/OIL & GAS	0.00	17.20	0.00	0.00	0.00	0.00	0.00	9.00	0.00	0.00	0.00	0.00	0.00	26.20
	DNR/OTHER	1.30	53.10	0.00	0.00	0.00	0.00	0.00	934.70	0.00	0.00	0.00	0.00	0.00	989.10
	DNR/PARKS	0.00	3.80	0.00	0.00	0.00	0.00	0.00	281.60	0.00	0.00	124.20	0.00	0.00	409.60
	DNR/WATER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	187.10	0.00	0.00	0.00	0.00	8.70	195.80
	DOT/CENTRAL REGION	0.00	7.60	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	9.10
	DOT/INTERNATL AIRPOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.70
	DOT/SOUTHEAST REGION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.40
	EDUC/SCHOOL FINANCE	0.00	13.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.50
	ENV CONS/HQ	0.20	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.70
	F&G/ FUND	0.00	320.00	4.40	0.00	0.00	0.00	0.00	307.50	0.00	0.00	0.00	0.00	389.30	631.90
	F&G/BD OF FISH	0.00	18.70	0.00	0.00	0.00	0.00	0.00	7.30	0.00	0.00	0.00	0.00	271.60	415.30
	F&G/BD OF GAME	0.00	107.70	0.00	0.00	0.00	0.00	0.00	204.50	0.00	0.00	17.30	0.00	2.80	601.10
	F&G/COMML FISH	0.00	360.80	0.00	0.00	0.00	0.00	0.00	195.40	0.00	0.00	0.00	0.00	25.70	559.00
	F&G/OTHER	22.50	1,484.40	0.00	0.00	0.00	0.00	0.00	2,521.50	0.00	0.00	89.70	0.00	17.40	4,143.80
	F&G/SPORT FISH	0.00	44.60	0.00	0.00	0.00	0.00	0.00	17.00	0.00	0.00	0.00	0.00	0.00	79.00
	F&G/SUBSISTENCE	0.00	17.00	0.00	0.00	0.00	0.00	0.00	61.70	0.00	0.00	0.00	0.00	0.00	78.70
	GOV/D.C. OFFICE	6.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.60
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	249.50	0.00	0.00	0.00	81.20	0.00	330.70
	GOV/GOV COORDINATION	1.80	0.00	0.00	0.00	0.00	0.00	0.00	14.90	0.00	0.00	0.00	0.00	0.00	16.70
	GOV/OMB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.90	0.00	0.00	38.90
	GOV/OTHER	1.70	59.90	0.00	0.00	0.00	0.00	0.00	1.80	0.00	0.00	0.00	0.00	0.00	63.40
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	104.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	104.50
	H&SS/FAM & YOUTH SVC	0.00	53.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	53.20
	H&SS/GUARDIANSHIPS	0.00	4.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.50
	H&SS/MEDICAL ASSIST	0.00	47.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	47.60
	H&SS/MENTAL	0.40	2.40	0.00	0.00	0.00	7.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.30
	HUMAN RTS COMMN	0.00	104.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	104.30
	INS TENDERS/TORT	0.00	0.00	0.00	6.30	0.00	0.00	0.00	5.10	0.00	0.00	0.00	0.00	0.00	11.40
	LABOR/ESD	0.00	23.90	0.00	0.00	0.00	0.00	0.00	0.80	0.00	0.00	0.00	0.00	0.00	24.70
	LABOR/OSHA	0.00	28.50	0.00	0.00	0.00	0.00	0.00	4.10	0.00	0.00	0.00	0.00	0.00	32.60
	LAW/ OIL & GAS	0.00	3.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.50
	LAW/CONS PROT	0.00	41.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.20
	LAW/CRIM DIV	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.50
	LAW/EXEC ETHICS ACT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00
	LAW/EXXON	0.80	15.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.20
	LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	216.00	0.00	0.00	0.00	0.00	0.00	216.00
	LAW/NATIVE SOVEREIGN	0.00	9.40	0.00	0.00	0.00	0.00	0.00	82.40	0.00	0.00	0.00	0.00	0.00	91.80
	LAW/OTHER	4.80	0.00	0.00	0.00	0.00	0.00	0.00	3.30	0.00	0.00	0.00	0.00	0.00	8.10
	LEGISLATURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.40	0.00	0.00	0.00	0.00	0.00	1.40
	LT GOV/ELECTIONS	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00
	MILITARY AFFAIRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30	0.00	0.00	0.00	0.00	0.00	1.30
	POST SEC ED COMM	0.00	544.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	544.90

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Natural Resources	REV/ABC BD	4.40	257.50	0.00	0.00	0.00	0.00	0.00	574.10	0.00	0.00	22.50	0.00	40.90	899.40
	UNIVERSITY OF ALASKA	0.00	7.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.60
	Total	**147.60**	**8,432.10**	**4.40**	**6.30**	**0.00**	**112.00**	**0.00**	**7,566.40**	**0.00**	**0.00**	**589.30**	**81.20**	**779.20**	**17,718.50**
ANC-Special Litigation	ADMIN/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17.30	0.00	0.00	17.30
	APOC	0.00	49.60	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	49.90
	DOT/CENTRAL REGION	0.00	7.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.80
	DOT/SOUTHEAST REGION	0.00	1.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.40
	ENV CONS/HQ	0.00	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	GOV/EXEC OFFICE	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.10	0.00	11.30
	INS TENDERS/TORT	0.00	124.90	0.00	14,332.10	0.00	0.00	0.00	1,975.90	0.00	0.00	0.00	0.00	0.00	16,432.90
	LABOR/OSHA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.60	0.00	0.00	0.00	0.00	0.00	2.60
	LABOR/WORK COMP	0.00	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10
	LAW/LEGIS DRAFTING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	3.00
	REV/ABC BD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00
	REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	REV/CSED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	**0.00**	**186.50**	**0.00**	**14,332.10**	**0.00**	**0.00**	**0.00**	**1,979.80**	**0.00**	**0.00**	**20.30**	**11.10**	**0.00**	**16,529.80**
ANC-Transportation	ADMIN/GEN SVC SUPPLY	0.00	38.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.80
	APOC	0.00	4.20	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	4.40
	CED/AIDEA	68.20	0.00	0.00	0.00	0.00	0.00	0.00	57.90	0.00	0.00	1.70	0.00	0.00	127.80
	CED/INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	CED/INVESTMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00
	COURT SYSTEM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	111.70	0.00	0.00	0.00	0.00	0.00	111.70
	DNR/LAND	0.00	2.60	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	6.60
	DNR/MINING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.10	0.00	0.00	0.00	0.00	0.00	3.10
	DNR/OIL & GAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50
	DNR/PARKS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.50	0.00	0.00	0.00	0.00	0.00	5.50
	DOT/CENTRAL REGION	0.00	2,792.50	0.00	0.00	0.00	0.00	0.00	1,499.20	0.00	0.00	0.00	0.00	22.90	4,314.60
	DOT/INTERNATL AIRPOR	0.00	46.40	0.00	0.00	0.00	0.00	0.00	1,838.70	0.00	0.00	57.50	0.00	106.80	2,049.40
	DOT/NORTHERN REGION	0.00	116.20	0.00	0.00	0.00	0.00	0.00	100.50	0.00	0.00	0.00	0.00	0.00	216.70
	DOT/SOUTHEAST REGION	0.00	102.50	0.00	0.00	0.00	0.00	0.00	55.50	0.00	0.00	0.00	0.00	0.00	158.00
	DOT/STATEWIDE	0.00	40.30	0.00	0.00	0.00	0.00	0.00	64.40	0.00	0.00	0.00	0.00	102.60	207.30
	ENV CONS/HQ	22.50	577.30	0.00	0.00	0.00	0.00	0.00	179.10	0.00	0.00	0.80	0.00	19.00	798.70
	F&G/SPORT FISH	0.00	563.70	0.00	0.00	0.00	0.00	0.00	104.70	0.00	0.00	0.00	0.00	0.00	668.40
	GOV/EXEC OFFICE	0.00	8.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.50	0.00	18.90
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	7.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.80
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	2.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.30
	H&SS/MENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	H&SS/OTHER	11.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.80
	INS TENDERS/TORT	0.00	0.00	0.00	87.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	91.00
	LABOR/ESD	0.00	18.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.70
	LAW/EXXON	0.00	286.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	286.70
	LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.70	0.00	0.00	0.00	0.00	0.00	13.70
	LAW/OTHER	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	MILITARY AFFAIRS	0.00	356.10	0.00	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00	0.00	0.00	361.10
	RCA	0.00	1.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20
	REV/CSED	0.00	10.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.40

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
	REV/OIL&GAS AUDIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.40	8.40
ANC-Transportation	Total	102.90	4,966.00	0.00	87.00	0.00	10.10	0.00	4,048.70	0.00	0.00	60.00	10.50	259.70	9,544.90
	H&SS/WELFARE FRAUD	0.00	164.30	0.00	0.00	0.00	0.00	638.10	182.50	1,265.30	0.00	0.00	0.00	0.00	2,250.20
ANC-Welfare Fraud	REV/ABC BD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.50
	Total	0.00	164.30	0.00	0.00	0.00	0.00	638.10	184.00	1,265.30	0.00	0.00	0.00	0.00	2,251.70
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	1,381.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,381.10
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	344.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	344.10
Bethel AGO	H&SS/MENTAL	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
	Total	0.00	0.00	0.00	0.00	0.00	1,726.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,726.20
	DNR/AGRICULTURE	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	DOT/NORTHERN REGION	0.00	3.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.40
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	88.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	88.50
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	38.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.10
FAI-Collections & Support	H&SS/MENTAL	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	INS TENDERS/TORT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.90	0.00	0.00	0.00	0.00	0.00	6.90
	MILITARY AFFAIRS	0.00	5.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.70
	REV/CSED	19.30	440.40	0.00	0.00	2,098.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,558.20
	REV/INCOME&EXCISE TA	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	Total	19.30	450.50	0.00	0.00	2,098.50	126.60	0.00	6.90	0.00	0.00	0.00	0.00	0.00	2,701.80
	ADMIN/SENIOR SERVICE	2.70	7.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.40
	CORRECTIONS	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	COURT SYSTEM	0.00	0.20	0.00	0.00	0.00	0.00	0.00	68.30	0.00	0.00	0.00	0.00	0.00	68.50
	DNR/AGRICULTURE	0.00	8.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.10
	DNR/LAND	0.20	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.90
	DOT/NORTHERN REGION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80	0.00	0.00	0.00	0.00	0.00	0.80
	EDUC/OTHER	0.00	19.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19.80
	GOV/D.C. OFFICE	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	2.50
	H&SS/ALC & DRUG	6.90	3.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.80
	H&SS/CINA	43.70	54.70	0.00	0.00	0.00	4,046.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,145.20
	H&SS/FAM & YOUTH SVC	27.60	0.00	0.00	0.00	0.00	0.00	0.00	1.40	0.00	0.00	0.00	0.00	0.00	29.00
	H&SS/GUARDIANSHIPS	0.00	4.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.10
	H&SS/JUV DELINQ	6.60	23.80	0.00	0.00	0.00	1,630.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,661.00
	H&SS/LICENSING	10.80	105.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	116.00
	H&SS/MEDICAL ASSIST	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
	H&SS/MENTAL	11.20	3.70	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	15.40
	H&SS/OTHER	0.00	58.50	0.00	0.00	0.00	0.00	0.00	4.80	0.00	0.00	0.00	0.00	0.00	63.30
	H&SS/PUB ASSIST	3.00	12.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.70
	H&SS/PUB HEALTH	1.40	3.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.90
	INS TENDERS/TORT	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
	LABOR/ESD	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	LABOR/WG&HR	2.60	13.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.00
	LAW/CONS PROT	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	LAW/NATIVE SOVEREIGN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	34.70	0.00	0.00	0.00	0.00	0.00	34.70

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
FAI-Human Services	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.70	0.00	0.00	0.00	0.00	0.00	7.70
	PUB SAF/TROOPERS	0.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80
	RCA	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	REV/CSED	0.60	7.10	0.00	0.00	7.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.40
	REV/PERM FUND DIVIDE	0.30	24.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24.50
	Total	119.30	352.00	0.00	0.10	7.70	5,677.40	0.00	118.20	0.00	0.00	0.00	2.50	0.00	6,277.20
FAI-Natural Resources	DNR/AGRICULTURE	3.10	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.60
	DNR/FORESTRY	1.60	6.60	0.00	0.00	0.00	0.00	0.00	3.20	0.00	0.00	0.00	0.00	0.00	11.40
	DNR/LAND	68.00	250.10	0.00	0.00	0.00	0.00	0.00	227.00	0.00	0.00	0.00	0.00	0.00	545.10
	DNR/MINING	1.40	0.00	0.00	0.00	0.00	0.00	0.00	77.10	0.00	0.00	0.00	0.00	0.00	78.50
	DNR/OIL & GAS	1.30	37.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.70
	DNR/OTHER	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
	DNR/PARKS	3.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.40
	ENV CONS/HQ	161.70	0.30	0.00	0.00	0.00	0.00	0.00	913.30	0.00	0.00	0.00	0.00	693.70	1,769.00
	F&G/COMML FISH	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	F&G/OTHER	1.70	0.00	0.00	0.00	0.00	0.00	0.00	13.40	0.00	0.00	0.00	0.00	0.00	15.10
	F&G/SPORT FISH	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00	0.00	6.00
	LAW/CONS PROT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.80	0.00	0.00	0.00	0.00	0.00	2.80
	LT GOV/ELECTIONS	3.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.20
	REV/CSED	0.00	17.40	0.00	0.00	7.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.00
	Total	245.90	312.30	0.00	0.00	7.60	0.00	0.00	1,236.80	0.00	0.00	0.00	6.00	693.70	2,502.30
FAI-Special Litigation	ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.20	0.00	0.00	0.00	0.00	0.00	3.20
	H&SS/ALC & DRUG	0.00	2.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.40
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00
	H&SS/FAM & YOUTH SVC	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.70
	H&SS/MENTAL	3.80	7.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.60
	H&SS/OTHER	0.00	5.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.50
	INS TENDERS/TORT	24.80	0.00	0.00	3,542.00	0.00	0.00	0.00	173.90	0.00	0.00	0.00	0.00	0.00	3,740.70
	LAW/OTHER	1.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30
	PUB SAF/TROOPERS	1.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30
	Total	31.80	15.70	0.00	3,542.00	0.00	6.70	0.00	177.10	0.00	0.00	0.00	0.00	0.00	3,773.30
FAI-Transporation	DNR/LAND	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.60	0.00	0.00	0.00	0.00	0.00	0.90
	DOT/CENTRAL REGION	0.00	4.20	0.00	0.00	0.00	0.00	0.00	3.60	0.00	0.00	0.00	0.00	0.00	7.80
	DOT/NORTHERN REGION	22.10	3,512.60	0.00	0.00	0.00	0.00	0.00	963.20	0.00	0.00	0.00	0.00	0.00	4,497.90
	DOT/STATEWIDE	2.20	0.00	0.00	0.00	0.00	0.00	0.00	66.50	0.00	0.00	0.00	0.00	0.00	68.70
	ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.70
	F&G/SPORT FISH	0.00	0.80	0.00	0.00	0.00	0.00	0.00	1.90	0.00	0.00	0.00	0.00	0.00	2.70
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.20	0.00	5.20
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70
	H&SS/MENTAL	0.00	20.10	0.00	0.00	0.00	0.00	0.00	4.80	0.00	0.00	0.00	0.00	0.00	24.90
	H&SS/OTHER	0.00	2.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.60
	INS TENDERS/TORT	0.00	0.00	0.00	9.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.60
	LABOR/WG&HR	0.00	3.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.60

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
FAI-Transporation	LAW/ COLLECTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32.80	0.00	0.00	0.00	0.00	0.00	32.80
	LAW/NATIVE SOVEREIGN	0.00	9.50	0.00	0.00	0.00	0.00	0.00	27.70	0.00	0.00	0.00	0.00	0.00	37.20
	MILITARY AFFAIRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.80	0.00	0.00	0.00	0.00	0.00	10.80
	PUB SAF/OTHER	0.00	0.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80
	REV/AHFC	0.00	2.90	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	3.90
	REV/PERM FUND DIVIDE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	24.30	3,557.40	0.00	9.60	0.00	1.10	0.00	1,113.60	0.00	0.00	0.00	5.20	0.00	4,711.20
Jun-Commercial	ADMIN/DIV OF MOTOR V	0.00	15.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.70
	ADMIN/FINANCE	2.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.90
	ADMIN/PERSONNEL	0.00	65.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	65.40
	ADMIN/SENIOR SERVICE	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	APOC	0.00	3.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.80
	CED/BK SEC & CORP	234.50	351.60	0.00	0.00	0.00	0.00	0.00	20.60	0.00	0.00	25.10	0.00	22.60	654.40
	CED/DEVELOPMENT	5.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.50	17.90
	CED/INVESTMENTS	14.20	13.50	22.70	0.00	0.00	0.00	0.00	7.30	0.00	0.00	0.00	0.00	10.90	68.60
	CED/OCC LICENSING	1.30	1,573.60	0.00	0.00	0.00	0.00	0.00	725.40	0.00	0.00	0.00	0.00	482.20	2,782.50
	CED/OTHER	1.70	0.00	0.00	0.00	0.00	0.00	0.00	4.60	0.00	0.00	0.00	0.00	0.00	6.30
	CORRECTIONS	0.00	3.90	0.00	0.00	0.00	0.00	0.00	6.30	0.00	0.00	0.00	0.00	0.00	10.20
	DNR/LAND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50
	DNR/OIL & GAS	0.00	9.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.80
	DNR/PIPELINE COORD	0.00	6.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.70
	DOT/MARINE HWY SYS	0.00	6.10	0.00	0.00	0.00	0.00	0.00	6.60	0.00	0.00	0.00	0.00	0.00	12.70
	DOT/STATEWIDE	0.00	41.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.50
	F&G/BD OF FISH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.90	0.90
	F&G/OTHER	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00
	GOV/EXEC OFFICE	4.90	0.00	0.00	0.00	0.00	0.00	0.00	0.80	0.00	0.00	0.00	64.80	0.00	70.50
	GOV/OMB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.60	0.00	0.00	25.60
	GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
	H&SS/ALC & DRUG	0.00	25.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.40
	H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	1.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.40
	H&SS/MEDICAL ASSIST	0.00	1.30	0.00	0.00	0.00	0.00	0.00	41.70	0.00	0.00	0.00	0.00	370.80	413.80
	H&SS/MENTAL	0.00	6.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.50
	H&SS/PUB ASSIST	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.90	10.90
	H&SS/PUB HEALTH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.60	0.00	0.00	0.00	0.00	0.00	2.60
	INS TENDERS/TORT	0.00	0.00	0.00	54.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	54.90
	LABOR/WG&HR	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	LAW/ OIL & GAS	0.00	9.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.40
	LAW/CONS PROT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	58.40	0.00	0.00	0.00	0.00	0.00	58.40
	LAW/EXEC ETHICS ACT	100.00	97.70	0.00	0.00	0.00	0.00	0.00	315.10	0.00	0.00	0.00	0.00	0.00	512.80
	LAW/LEGIS REVIEW	4.80	0.00	0.00	0.00	0.00	0.00	0.00	8.00	0.00	0.00	0.00	0.00	0.00	12.80
	LAW/OTHER	62.90	0.50	0.00	0.00	0.00	0.00	0.00	37.90	0.00	0.00	0.00	0.00	0.00	101.30
	LT GOV/ELECTIONS	9.30	13.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.70
	POST SEC ED COMM	0.00	74.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	74.70
	PUB SAF/OTHER	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.50	0.00	0.00	0.00	0.00	0.00	10.50
	REV/GAMING	0.00	35.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	35.10
	REV/INCOME&EXCISE TA	78.30	1,060.20	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	1,139.20
	REV/OIL&GAS AUDIT	0.00	122.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	122.80

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Commercial	REV/OTHER	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	46.20	0.00	0.30	47.20
	REV/PERM FUND DIVIDE	25.30	726.40	0.00	0.00	0.00	0.00	0.00	46.70	0.00	0.00	0.00	0.00	2.40	800.80
	REV/TREASURY	7.60	1.60	1.70	0.00	0.00	0.00	0.00	27.40	0.00	0.00	0.00	0.00	0.00	38.30
	Total	554.10	4,276.90	25.90	56.30	0.00	0.00	0.00	1,325.10	0.00	0.00	96.90	64.80	913.50	7,313.50
Jun-Govt Affairs & Contr	ADMIN/DIV OF MOTOR V	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	ADMIN/FINANCE	20.30	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.60
	ADMIN/GEN SVC SUPPLY	87.10	169.30	0.00	0.00	0.00	0.00	0.00	82.60	0.00	0.00	0.00	0.00	0.00	339.00
	ADMIN/INFO SERVICES	10.10	18.30	0.00	0.00	0.00	0.00	0.00	25.80	0.00	0.00	0.00	0.00	0.00	54.20
	ADMIN/LABOR RELATION	153.40	165.50	0.00	0.00	0.00	0.00	0.00	234.90	0.00	0.00	0.00	0.00	0.00	553.80
	ADMIN/LONGEVITY	4.80	0.00	0.00	0.00	0.00	0.00	0.00	41.90	0.00	0.00	1.80	0.00	1.00	49.50
	ADMIN/O&G CONS COMM	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	ADMIN/OTHER	25.00	63.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	88.90
	ADMIN/PERSONNEL	104.20	3.90	0.00	0.00	0.00	0.00	0.00	76.60	0.00	0.00	2.70	0.00	3.00	190.40
	ADMIN/RET&BENEFITS	230.10	706.60	0.00	0.00	0.00	0.00	0.00	2.20	0.00	0.00	28.40	0.00	8.40	975.70
	ADMIN/SENIOR SERVICE	4.40	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60
	APOC	3.50	28.90	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	33.40
	CED/(formerly C&RA)	85.50	71.90	0.00	0.00	0.00	0.00	0.00	45.90	0.00	0.00	0.00	0.00	8.70	212.00
	CED/AIDEA	5.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.90
	CED/BK SEC & CORP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10	0.00	0.00	0.00	0.00	0.00	1.10
	CED/OCC LICENSING	0.20	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	3.20
	CED/OTHER	27.30	8.50	0.00	0.00	0.00	0.00	0.00	1.80	0.00	0.00	0.00	0.00	0.00	37.60
	CED/SCIENCE&TECH FOU	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.30	16.30
	CFEC	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	CORRECTIONS	196.70	370.50	0.00	0.00	0.00	0.00	0.00	94.90	0.00	0.00	8.50	0.00	0.00	670.60
	COURT SYSTEM	2.80	19.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.60
	DNR/AGRICULTURE	0.50	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.50
	DNR/OTHER	13.70	13.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.30
	DOT/CENTRAL REGION	0.00	77.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	77.00
	DOT/INTERNATL AIRPOR	69.70	2.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	74.30
	DOT/MARINE HWY SYS	19.30	443.20	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	464.00
	DOT/NORTHERN REGION	0.20	30.30	0.00	0.00	0.00	0.00	0.00	3.60	0.00	0.00	0.00	0.00	0.00	34.10
	DOT/SOUTHEAST REGION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	DOT/STATEWIDE	43.80	0.00	0.00	0.00	0.00	0.00	0.00	16.70	0.00	0.00	0.00	0.00	0.00	60.50
	EDUC/ AK LIB, ARCH &	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	EDUC/ AK VOC TECHNIC	0.00	12.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.10
	EDUC/OTHER	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	EDUC/SCHOOL FINANCE	0.00	8.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.90
	ENV CONS/HQ	7.80	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	8.50
	F&G/COMML FISH	15.70	1.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.90
	F&G/OTHER	7.90	54.50	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	65.40
	F&G/SPORT FISH	2.50	46.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	49.00
	GOV/EXEC OFFICE	226.80	177.90	0.00	0.00	0.00	0.00	0.00	183.40	0.00	0.00	2.50	119.80	0.00	710.40
	GOV/GOV COORDINATION	4.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.20
	GOV/OMB	68.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	59.70	0.00	0.00	127.80
	GOV/OTHER	8.10	0.00	0.00	0.00	0.00	0.00	0.00	14.50	0.00	0.00	0.00	6.20	25.40	54.20
	H&SS/ALC & DRUG	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	H&SS/FAM & YOUTH SVC	1.20	150.60	0.00	187.20	0.00	0.00	0.00	50.50	0.00	0.00	0.00	0.00	0.00	389.50
	H&SS/MEDICAL ASSIST	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Govt Affairs &	H&SS/MENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.20	0.00	0.00	1.20
Contr	H&SS/OTHER	80.30	112.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	192.80
	H&SS/PUB ASSIST	2.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.10
	H&SS/PUB HEALTH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.20
	INS TENDERS/TORT	0.00	0.00	0.00	812.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	812.10
	LABOR/ VOC REHABILI	3.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.20
	LABOR/OTHER	4.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.20
	LAW/CRIM DIV	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70
	LAW/EXEC ETHICS ACT	2.80	3.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.20
	LAW/LEGIS DRAFTING	3.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.90
	LAW/LEGIS REVIEW	29.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.00
	LAW/OTHER	110.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	110.00
	LAW/REGULATIONS	1.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.60
	LEGISLATIVE AFFAIRS	0.50	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	LEGISLATURE	32.20	0.30	0.00	0.00	0.00	0.00	0.00	3.80	0.00	0.00	0.00	0.00	0.20	36.50
	LT GOV/ELECTIONS	465.80	615.70	0.00	0.00	0.00	0.00	0.00	191.40	0.00	0.00	30.10	0.00	5.60	1,308.60
	LT GOV/OTHER	7.60	21.50	0.00	0.00	0.00	0.00	0.00	4.10	0.00	0.00	0.00	0.00	0.80	34.00
	MILITARY AFFAIRS	19.80	14.90	0.00	0.00	0.00	0.00	0.00	24.80	0.00	0.00	0.00	0.00	0.00	59.50
	MILITARY AFFAIRS EME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.30	0.00	0.00	0.00	0.00	0.00	10.30
	POST SEC ED COMM	0.00	69.80	0.00	0.00	0.00	0.00	0.00	13.00	0.00	0.00	0.00	0.00	0.00	82.80
	PROF TEACHING PRACTI	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	PUB SAF/OTHER	27.20	79.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	106.30
	PUB SAF/TROOPERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30	0.00	0.00	0.00	0.00	0.00	1.30
	RCA	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60
	REV/ABC BD	0.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.90
	REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20	0.00	0.00	0.00	0.00	0.00	1.20
	REV/CSED	0.00	3.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.80
	REV/INCOME&EXCISE TA	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	REV/OTHER	10.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00	0.00	0.00	19.30
	REV/PERM FUND CORP	64.30	26.50	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	91.80
	REV/PERM FUND DIVIDE	0.00	1.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.80
	REV/TREASURY	13.00	0.00	0.00	0.00	0.00	0.00	0.00	386.30	0.00	0.00	0.00	0.00	0.00	399.30
	Total	2,333.40	3,599.50	0.00	999.30	0.00	0.00	0.00	1,524.80	0.00	0.00	145.10	126.00	69.40	8,797.50
Jun-Human	ADMIN/SENIOR SERVICE	0.00	49.60	0.00	0.00	0.00	0.00	0.00	18.00	0.00	0.00	0.00	0.00	0.00	67.60
Services	CED/AIDEA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00	0.00	0.00	0.00	0.00	0.00	6.00
	CED/INVESTMENTS	9.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00
	CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	3.00
	DNR/PIPELINE COORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10	0.00	0.00	0.00	0.00	0.00	1.10
	EDUC/ AK LIB, ARCH &	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.20	0.00	0.00	0.00	0.00	30.40	74.60
	EDUC/ADAK REG SCH D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00	2.50
	EDUC/AK ST COUNCIL O	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.00	0.00	0.00	0.00	0.00	0.00	7.00
	EDUC/ALYESKA CENTRAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.00	38.00
	EDUC/EXECUTIVE ADMIN	0.00	410.30	0.00	0.00	0.00	0.00	0.00	665.40	0.00	0.00	0.00	0.00	28.80	1,104.50
	EDUC/MT EDGECUMBE BO	0.00	2.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.40
	EDUC/OTHER	0.00	92.50	0.00	0.00	0.00	0.00	0.00	7.50	0.00	0.00	0.00	0.00	64.40	164.40
	EDUC/SCHOOL FACILITI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	93.60	0.00	0.00	8.50	0.00	13.60	115.70
	EDUC/SCHOOL FINANCE	0.00	571.80	0.00	0.00	0.00	0.00	0.00	226.00	0.00	0.00	0.00	0.00	44.30	842.10
	EDUC/TEACHING&LEARNI	1.00	54.00	0.00	0.00	0.00	0.00	0.00	230.00	0.00	0.00	0.00	0.00	19.00	304.00