

HB

426

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 426
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: All
 Title An act requiring state agencies to provide BRU All
for electronic submission of forms Component All
 Sponsor Rep. Lancaster
 Requester House State Affairs Committee Component No. All

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	***	***	***	***	***	***

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	***	***	***	***	***	***

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would require all agencies to convert all paper forms used both internally and externally to electronic systems. State agencies have not counted every form in use; however, approximate estimates by selected departments indicate that there are at a minimum several thousand forms used by state agencies to conduct their operations.

A conservative estimate on converting a simple form to an online system is \$7,500 per application. DHSS has estimated it has over 800 forms; the estimated cost to convert these business processes to an online format is about \$6 million scheduled over a 6-year period.

(continued)

Prepared by: Larry Walsh, Director Phone 465- 5735
 Division Information Technology Group Date/Time 3/18/02 4:26 PM
 Approved by: Jim Duncan, Commissioner Date 3/18/2002
 Agency Department of Administration

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

BILL NO. HB 426

ANALYSIS CONTINUATION

DOA has estimated roughly the same amount of forms, but at a higher cost because of the complexity of many of the business processes represented by these forms. Payroll, timesheets and procurement are business area examples of very complex functionality built into the forms currently used. Replacement of AKPAY, the state payroll system, would be a logical part of this transformation -- estimated as potentially a multi year, ten - to 20 million dollar project.

Procurement, as another example, would require as a preliminary step making all online public notices interactive and secure via the web. In order to do this in the area of RFP's, digital signatures would have to be allocated to all businesses that want to respond to an RFP, an effort that would require infrastructure, end user education, end user and state employee training, and funding.

DOT estimates it has 1,500 to 1,800 forms -- it would take a conservative \$13 million to convert these business processes.

Even if we estimated conservatively and went by DHSS's figures as guidelines, we estimate that there are at least 5,000 forms used in State government, with an estimated cost to implement that number of forms of \$37 million over a number of years. That would not include the more complex systems like AKPAY, which are key to making it possible to put many of these forms online.

Converting paper forms to electronic format can provide real improvements in efficiency and productivity, as well as modest savings in paper costs. However, in most cases, these efficiency improvements would primarily enable agencies to better absorb increasing workloads, rather than reducing staffing and personal services costs from current levels.

This bill provides exemptions if converting forms to electronic format would be "technically infeasible or fiscally irresponsible", based on an analysis of the life-cycle costs and benefits of the conversion. Conducting this type of analysis for thousands of forms and processing exemption requests would be very time consuming and would not be an effective use of state resources.

This legislation also would ban the distribution of printed annual reports by state agencies, with certain exceptions. This provision would likely result in some modest savings in printing costs; the exact amount is difficult to estimate.

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 13, 2002

FURTHER REFERRALS:

Date of Committee Action: 21 MAR 02

The STATE AFFAIRS Committee considered:

HB 426

HOUSE BILL NO. 426

STATE AGENCY REPORTS/ELECTRONIC FORMS

"An Act requiring state agencies to provide for electronic submission of forms and relating to annual reports of state agencies."

Recommends it be replaced with CS _____ (_____) [] Same Title [] New Title
 For Senate Bills with new title: [] Technical Title [] New Title: HCR _____

[] attach amendments

[] add new referral to _____ Committee

[] Letter of Intent _____ Committee

List of Abbrev. for Depts.:
 ADM
 CED
 COR
 CRT
 EED
 DEC
 DFG
 GOV
 HSS
 LAA
 LAW
 LWF
 MVA
 DNR
 DPS
 REV
 DOT
 UA

<u>NEW FISCAL NOTES</u>				
*For Chief Clerk's Office Use Only				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
<u>ALL</u>			✓	

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
<i>Beggs Wilson</i>	Wilson	✓			
<i>Arthur Crawford</i>	CRAWFORD			✓	
<i>Robert James</i>	JAMES	✓			
<i>Frank</i>	Frank			✓	
<i>Henry</i>	Henry			✓	
Chair: <i>John Cashell</i>	Cashell				✓

Alaska State Legislature

SESSION ADDRESS:
State Capitol
Juneau, Alaska 99801-1182
Phone (907) 465-2693
Toll Free 800-463-2693
Fax 907-465-3835



INTERIM ADDRESS:
35477 Suite 101-B Spur Hwy
Soldotna, Alaska 99669
Phone 907-260-5236
Fax 907-260-3044

Representative Ken Lancaster District 8

Sponsor Statement For House Bill 426

"An Act requiring state agencies to provide for electronic submission of forms and relating to annual reports of state agencies."

HB 426 is first and foremost a cost-savings measure. However, many other benefits are derived from this type of initiative in the areas of Government Quality, Accessibility, Environmental Awareness, Paper Reduction, and Efficiency of Labor.

Firstly, the concern heard most revolving around the budget is the issue of government waste. HB 426 would eliminate a large amount of that waste. The legislation would require state entities to make electronic submission forms for all permits, requests, forms, and applications, for both internal and external users; unless it is proven to be technically infeasible or fiscally irresponsible to the Department of Administration or the Alaska Legislative Council. Although there would be an initial cost of developing the electronic submission forms, the long-range saving from reducing the amount of paper, stamps, envelopes, faxing, and other office supplies in itself, would be worth it.

Many departments have already established electronic forms and reporting for some things. These pilot programs have demonstrated time and again the savings associated with the use of technology. The Department of Fish & Game installed a program for their permits, which cost \$90,000 for set up. It in the end saves them roughly \$87,000 per year. Granted the savings margin for all these programs will not be comparatively as large but will save money. In these times of critical fiscal situations we must do what we can to eliminate waste from the system. It is this type of "fat trimming" the public desires.

Secondly, with the development of electronic communication and its rapid proliferation throughout Alaska, the continual distribution of hard copy reporting, is an inefficient, costly and unnecessary component of our system. The bill does provide that hard copies may be obtained upon request. The intent of the bill is to minimize costs of reporting by encouraging more Internet information transactions.

Thirdly, regarding the areas of Government Quality and Accessibility, HB 426 would make Alaska more of a 24/7 state instead of an 8-5 state. Additionally, there is the issue

E-Mail: Representative_Ken_Lancaster@legis.state.ak.us

Cooper Landing • Bear Creek • Funny River • Hope • Moose Pass • Ridgeway • Seward • Soldotna • Sterling
Listening to you – Getting things done.

of having more information stored in a database, which can easily be backed up and stored conveniently, in the event of a Natural disaster or other event that would cause many paper files to be lost. Moreover, it provides a medium for greater accessibility to the government by disabled people and the homebound elderly. Quality initiatives like this are what the government needs in order to show the public they are working on making government more convenient and "user friendly."

Fourthly, Alaska has unfortunately and undeservedly developed a reputation for being environmentally insensitive. The passage of this legislation will help show that we are an environmentally aware state. It will show our willingness to reduce consumption of resources and to help rehabilitate the states reputation.

Lastly, HB 426 would free up staff time. Agreeably, more staff time is something that all departments need. We are in a state of economic down turn, and can't afford to hire more staff. This bill will free up staff time from paper shuffling and data entry so that staff can work on more vital tasks, thus reducing the need for additional people.

In conclusion, HB 426 is not saying we should replace the existing systems, as undoubtedly there will be people who will not have access to, nor the desire to, use computers. However, it is saying we should supplement our existing system so people who will use them can. The majority of people you meet 35 or under will have some experience with computers, and many Alaskans do use them on a regular basis, with more learning every day. This bill in the end will save money, time, and resources, while making the government more accessible, improving Alaska's image, and instilling confidence in the people that we are doing what we can to eliminate waste from government.

SECTIONAL ANALYSIS
HB 426

An Act requiring state agencies to provide for electronic submission of forms and relating to annual reports of state agencies.

Prepared by Representative Ken Lancaster

Section 1:

- (a) Requires state agencies to provide electronic submission forms for permits, requests, and applications, used by internal and external users of the agency.
- (b) Provides an exemption for forms that are technically infeasible or fiscally irresponsible, and defines fiscally irresponsible for this legislation. It delegates the authority of providing the exemptions to the Alaska Legislative Council and the Department of Administration.
- (c) Defines an "agency" for purposes of this legislation

Section 2:

Requires state agencies to provide online accessibility to their annual reports. Prevents state agencies from distributing hard copies of annual reports unless required by law, the sales of the report cover the cost of printing or a hard copy is specifically requested.

Correspondence

Subject: Re: HB 426

Date: Wed, 06 Mar 2002 10:35:54 -0900

From: Gail Klein <' klein@uas.alaska.edu>

To: Justin Carro <Justin_Carro@Legis.state.ak.us>

Justin,

Looks like a great bill - I'd vote for it. I've thought of you frequently this semester and hope all is going well. Nothing much has changed here. I'm still swamped so i'll cut this short.

Take care!

Gail

PS Thanks for the planner! I was ready for Friday after seeing it!

Justin Carro wrote:

> Hey all, here is a link to the sponsor statement for the bill I've been
> working on.
> Thought you might be interested.
>
> <http://www.akrepublicans.org/22ndleg/spst/spsthb426.shtml>

Backup

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB 426
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
Title: ELECTRONIC SUBMISSION OF FORMS BRU: Administrative Services
Component: Administrative Support Svcs
Sponsor: LANCASTER
Requestor: _____ Component Number: 320

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	80.0	80.0	230.0	380.0	380.0	380.0
Travel	5.0	5.0	15.0	25.0	25.0	25.0
Contractual	810.0	847.5	172.5	365.0	520.3	695.6
Supplies	3.0	3.0	9.0	15.0	15.0	15.0
Equipment	3.0	75.0	6.0	6.0	3.0	
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	901.0	1,010.5	432.5	791.0	943.3	1,115.6

CAPITAL EXPENDITURES		750.0			
-----------------------------	--	-------	--	--	--

CHANGE IN REVENUES (0)					
---------------------------------	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
1002 Federal Receipts	269.0	307.1	129.1	236.2	281.7	333.1
1003 GF Match	112.6	126.3	54.1	98.9	117.9	139.5
1004 GF	325.4	364.9	156.2	285.6	340.6	402.9
1005 GF/Program Receipts						
1037 GF/Mental Health	69.8	832.5	33.0	60.4	72.1	85.2
Other (Interagency Receipts - 1007)	125.2	140.3	60.1	109.9	131.0	154.9
TOTAL						

Estimate of any current year (FY2002) cost: _____

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

	1	3	5	5	5	5
Full-time						
Part-time						
Temporary						

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

This bill requires the electronic submission of all forms. In this analysis we assume that electronic submission means that DHSS will need to convert all forms and processes to on-line, which will allow DHSS to work toward development of paperless systems to serve the public. This analysis calculates costs for the entire department. DHSS has 8 divisions and hundreds of forms to convert as soon as possible.

ELECTRONIC FORMS: Requiring electronic submission of forms because of the term "electronic submission" will require state government to move toward a paperless system where form distribution, completion, and submission will have to be part of an on-line system. To move toward this goal of total on-line processing DHSS will have to develop a form conversion plan that encompasses business

Prepared by: Janet Clarke, Director Phone 465-1630
Division: Admin Services Date/Time 02/22/2002
Approved by: Elmer A. Lindstrom, Deputy Commissioner Date 02/25/2002
Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

BILL NO. HB 426

ANALYSIS CONTINUATION

process review and re-engineering analysis for forms and processes used by DHSS.

The legislation as proposed does not have an effective date, so assuming that the legislature would want implementation as soon as possible, DHSS would first need to seek a blanket exemption under the current proposed language for our entire operations because programs are not ready to implement such a massive change.

Then, DHSS would need to seek the services of a contractor to assist in development of a Form Conversion/Implementation Plan. The contractor would review all forms and complete a business process review (work flow) analysis to see how the processes would change for form usage if functions are all performed on-line. The work flow analysis and business process review is essential prior to automation because the steps in the process and the form development, distribution, completion, and submission will likely change once it is automated. This is the key first step.

Other items that are likely to impact success are the costs associated with building the information technology infrastructure to support this effort. Many of the DHSS forms and applications require signatures to allow for electronic signatures DHSS would be required to secure the electronic signature certificates that are necessary to implement that system. The certificates through a third party actually verify that the individual that is signing the electronic signature is really the person that is authorized.

FY03:

- 1) Establish 1 PFT IT Project Director to oversee the project, with associated support costs.
- 2) Initiate contract for Business Process Review/Form Conversion Plan: 4 divisions will cost \$800.0 total in year one.

FY04:

- 1) Continue Business Process Review/Form Conversion Contract: 4 divisions will cost \$700.0 in the second year (build in a discount for DFYS due to the ORCA project which has a business process review underway and with a new case management system for DFYS will eliminate a number of forms for DFYS).
- 2) Contractual Cost of \$37.5 for Electronic Signature certificates for 1/2 of DHSS 2,500 employees @ \$30.00 per employee.
- 3) Contractual Costs of \$100.00 for the Software for 2,500 DHSS employees at \$40.00 per employee.
- 4) Hardware costs: Will need new servers for this function due to storage and space requirements to store all of the forms on-line, 10 @ \$7,500 = \$75.0.
- 5) Will need to establish and staff the Form Management Unit with IT staff to assist in keeping the on-line systems up and to manage the changes to forms etc. Add 2 IT staff to begin the unit.
- 6) API as a hospital will need a special imaging system to keep the medical records needed for each patient, estimate \$750.0 as a capital item.

FY05:

- 1) Business Process Review contract is eliminated.
- 2) Contractual costs for the other half of DHSS employees for Electronic Signature certificates which will cost \$37.5 additional.
- 3) Contractual Costs for software will be an on-going annual expense of \$100.0 (started in FY04).
- 4) Due to increased use of Internet and bandwidth, assume that network chargeback rates will increase by 15% per year, = \$135.0 more in FY05.
- 5) Fully staff Form Management Unit with IT staff by addition of 2 new staff for a total of 4.

FY06, FY07, & FY08: Network chargeback will continue to grow at 15% per year.

Sec. 09.25.510. Electronic records and signatures.

(a) Any person or entity, including a state agency or political subdivision, may accept or agree to be bound by an electronic record executed or adopted with an electronic signature. Where a person accepts or agrees to be bound by an electronic record executed or adopted with an electronic signature, a rule of law that requires

(1) a record of that type to be in writing shall be considered satisfied; and

(2) a signature shall be considered satisfied.

(b) A state agency may not act as a certifying authority for an electronic signature unless at least one of the parties to the transaction requiring the action is a state agency. The lieutenant governor may establish, by regulation adopted under AS 44.62 (Administrative Procedure Act), a system for registering persons to act as certifying authorities for electronic signatures. In this subsection, "certifying authority" means a person who issues a computer-based record that verifies an electronic signature.

(c) Except as provided under (b) of this section, the lieutenant governor or a state agency that chooses to accept or agrees to be bound by an electronic record executed or adopted with an electronic signature shall adopt, under AS 44.62 (Administrative Procedure Act), regulations necessary to implement this section.

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


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 4, 2002

SUBJECT: Questions regarding electronic signature statutes
(Work Order No. 22-LS1619)

TO: Representative Ken Lancaster
Attn: Justin

FROM:  Theresa L. Bannister
Legislative Counsel

You have asked two questions regarding the electronic signature statute AS 09.25.510. First of all, let me advise you that I am not very familiar with how electronic signatures actually work. You may wish to contact a person with expertise in this area to fully answer your questions.

1. Under AS 09.25.510, will a credit card number serve to verify the identity of an individual? AS 09.25.510 relates only to "electronic signatures," not to other types of verification. Therefore, to provide any type of verification under this statute, the credit card number must be part of an electronic signature. See the response to your next question.

2. Can a credit card number be an "electronic signature" for the purposes of AS 09.25.510 as that section is now written? It appears possible for an individual's credit card number to be used as part of the electronic signature. Under AS 09.25.520, "electronic signature" is defined as an electronic or digital "method" executed or adopted by a person. A credit card number does not appear to qualify as a "method" by itself, although the entire system by which the number is entered might qualify as a "method." It is possible for an individual to adopt that number as part of the method that the individual will use for an electronic signature. The definition of "electronic signature" also requires that the method be unique to the individual. A credit card number would seem to be unique to the individual possessing that number. There are some other requirements in the definition but they appear to be connected more to the "method" than to the number you have proposed, so I am not addressing them.

If I may be of further assistance, please advise.

TLB:med
02-245.med

RE; HB 426 DMV Costs


Subject: RE; HB 426 DMV Costs
Date: Mon, 04 Mar 2002 15:58:17 -0900
From: Chuck Hosack <Chuck_Hosack@admin.state.ak.us>
Organization: St of AK, Dept of Admin
To: Justin_Carro@legis.state.ak.us

Justin

The attached file shows the transaction costs of similar transactions for registration renewals. The "counter" transactions are done in-person at a DMV office; the "mail" transactions are the normal mail renewal transactions; and the "web/IVR" are those done by electronic means.

If you need more information, please let me know.

Chuck Hosack, Deputy Director, DMV

 Renewal Costs.xls	Name: Renewal Costs.xls Type: Microsoft Excel Worksheet (application/vnd.ms-excel) Encoding: base64
---	--

Transaction Type	Labor	Materials	Overhead	Total
Counter Reg Renewal	4.62	0.13	4.23	8.98
Mail Renewal	1.73	0.54	1.59	3.86
Web/IVR Renewal	1.15	0.54	1.06	2.75

Re: Test

Subject: Re: Test

Date: Wed, 06 Mar 2002 13:42:19 -0900

From: Paul Dick <Paul_Dick@revenue.state.ak.us>

Organization: Department of Revenue

To: Justin Carro <Justin_Carro@Legis.state.ak.us>

Justin

I estimate that our cost of putting the 2002 PFD web application online was \$10,000. This was the first year for this release of the web application so we don't expect future costs to maintain the application will be near as high. This cost represents the cost of our programmers to develop and implement the application.

To date we have over 52,000 applications filed online and expect up to 80,000 by the filing period end of April 1.

Justin Carro wrote:

> yep

>

> Paul Dick wrote:

>

>> Justin,

>> I couldn't find you on the state directory. Please confirm that this is

>> the proper email address.

Paul Dick <paul_dick@revenue.state.ak.us>

Chief of Operations

Permanent Fund Dividend Division

Revenue

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME
DIVISION OF ADMINISTRATION

FAX TRANSMITTAL SHEET

TONY KNOWLES, GOVERNOR

P.O. BOX 25526
JUNEAU, AK 99802-5526
PHONE: (907) 465-4120
FAX: (907) 465-2440

TO: Justin

DATE: 1/30

FAX: 3835

FROM: Kris Wright

Phone: 465-6091

3

(# of Pages including this page)

MESSAGE:

Please call if you have any questions.

JOHN
BellMAR
6082

37% m line use

5/570 sales

Executive Summary:

The Department of Fish and Game is excited about their online licensing web system. Not only are we reaching out to our customers and making government more accessible, we are working towards one-stop shopping. Augmenting our existing vendor network with Internet capability is a natural extension of the Governor's direction to use technology to make government more accessible to the public. Internally the Department benefits, other agencies benefit, and most of all, the customer benefits. It's a very cost effective means to accomplish our goals, improves customer service, and allows the department to quickly respond to diverse and increasing needs utilizing today's technology.

Description of the Program:

The Alaska Department of Fish and Game currently processes approximately 700,000 licenses, tags, permits, and stamps each year for a total revenue of over \$22 million. There are 1500 license vendors throughout the state and a few outside of Alaska. These vendors manually capture licensee information, collect the fee, and send the paperwork into the department. The licenses and big game tag records are data captured for reconciliation of vendor sales. The file is also used by the Divisions of Sport Fish and Wildlife Conservation for harvest surveys, by the Department of Public Safety for enforcement, by the Department of Revenue/Child Enforcement Division for locating parents and relatives, and by the Department of Labor/Fishermen's Fund Division for validating medical insurance claims. This paper process can take up to four months from the time an applicant signs their license to the time the information is entered into a usable data base.

The Licensing Section has seen a three-fold increase in the number of vendors in the last 10 years and revenue has doubled. In order to maintain customer service levels in light of increasing populations, complexity of regulations, and increased paper load, the department needed to determine how to best meet those needs. They decided that online Internet services was the key.

The Department began an online licensing system in October 1, 1999. Anyone with a credit card and an Internet connection can now purchase fishing, hunting, trapping or commercial crewmember licenses, big game tags, king salmon and waterfowl stamps, and apply for draw hunt permits through the department's Web site.

The department offers 27 different license combinations, 39 big game tags, 8 stamps, and 265 permits. The customer accesses the Internet site and enters their name and identification number. If they have previously purchased a license from the state, the application page is populated with their personal information making it easier for the customer to apply. Based on the customer's residency, they are presented with the choice of licenses, tags, stamps or permits that are only valid for that class of residency. The system then verifies their purchase(s), and validates their credit card in real time through a secured site.

The next business day the system prints the license and other forms and these items are mailed out along with any tags or stamps purchased by the customer.

The online Internet system is an easy and efficient process for applicants. It makes government more accessible and convenient to our customers.

Calculation of Actual Savings in the short term and/or long term:

The State of Alaska currently pays each vendor a 5% commission and \$1.00 for every sport license, tag and stamp they sell. For each crewmember license sold, the vendor receives 10% commission. The State pays the postage costs for shipping the stock to the vendor and for sending in the paperwork, and then pays \$110,000 per year for data entry of licenses and tags. For every license and tag sold through the Internet process, the state pays 1.85% credit card discount fee, postage costs (for most licenses, 33 cents), personnel time to print the computerized license and mail it.

During the first year of operation, the Department hopes to sell 5% of sales online. Since we have not been in operation for one year, it is difficult to determine cost savings. However, if 5% of sales are realized, there will be a cost savings of \$87,000 in vendor compensation. This compensation in combination with other costs make the average cost of every license sold via the manual system approximately \$2.85. It appears that the average cost of every license sold via the web system is \$.89. Thus, each year the Department expects to retain more dollars to be used for management of its fish and wildlife resources.

Quantitative Benefits/Relevancy of Use:

The information is entered in the database by the customer. This information is available immediately for Fish and Wildlife Protection Officers and department employees via an internet inquiry. Not only do a variety of agencies greatly benefit by having customers data enter directly into the data base, but the Divisions of Sport Fish and Wildlife Conservation benefit by being able to get quicker license data. The sport fish statewide harvest survey is the core of their assessment program and collects data by annually mailing questionnaires throughout the world to a representative sample of 47,000 households. The survey produces harvest estimates for fisheries throughout the state.

Data base information is better since the system is capturing a complete profile of the customer while the data capture of manual records has been limited to only specific fields because of budgetary and time constraints. The data is also more accurate since the customer is entering the information directly into the database and the data entry crew is not entering information from hard to read license copies. It currently costs \$110,000 per year to data capture licensing information. The online licensing system has no cost to data capture license information.

This system allows us to reach rural residents who do not have access to a license vendor. They can purchase their licensing items online and have these items shipped to them with the next boat or supply plane.

Fifty percent of our licenses are sold to nonresidents. These individuals can now purchase their license and tags from home and start fishing/hunting as soon as they enter Alaska. In many cases, hunters/fishers are in remote areas in the state that do not have a vendor close by.

Revenue is collected faster and deposited into the state's dedicated fund for fish and game license revenue.

The online system has allowed licensing employees to concentrate on the more complex functions and to work more closely with our licensing vendors and customers.

Source

<http://www.ntia.doc.gov/ntiahome/fttn00/falling.htm#1>

U.S. Dept of Commerce

Table I-A. Percent of Households with Computers, by State: 2000

(Numbers in thousands.)

State	Total Households	Percent with Computers	90% Confidence Interval
Alabama	1,742	44.2	2.83
Alaska	219	64.8 #2	2.96
Arizona	1,832	53.5	2.70
Arkansas	1,041	37.3	2.72
California	12,129	56.6	1.20
Colorado	1,636	62.6	2.73
Connecticut	1,235	60.4	3.29
Delaware	290	58.6	3.21
Florida	6,235	50.1	1.48
Georgia	3,066	47.1	2.52
Hawaii	386	52.4	3.61
Idaho	491	54.5	2.71
Illinois	4,566	50.2	1.74
Indiana	2,347	48.8	2.86
Iowa	1,136	53.6	2.95
Kansas	1,010	55.8	2.96
Kentucky	1,614	46.2	2.82
Louisiana	1,650	41.2	2.78
Maine	508	54.7	3.13
Maryland	2,076	53.7	3.04
Massachusetts	2,407	53.0	2.17
Michigan	3,709	51.5	1.86
Minnesota	1,799	57.0	2.91

Mississippi	1,059	37.2	2.81
Missouri	2,155	52.6	2.98
Montana	360	51.5	2.79
Nebraska	637	48.5	3.04
Nevada	690	48.8	2.99
New Jersey	3,091	54.3	1.92
New Hampshire	474	63.7	3.22
New Mexico	667	47.6	2.89
New York	6,971	48.7	1.34
North Carolina	3,047	45.3	2.07
North Dakota	246	47.5	3.01
Ohio	4,351	49.5	1.81
Oklahoma	1,338	41.5	2.69
Oregon	1,280	61.1	2.99
Pennsylvania	4,720	48.4	1.68
Rhode Island	402	47.9	3.23
South Carolina	1,557	43.3	2.98
South Dakota	289	50.4	2.87
Tennessee	2,220	45.7	2.90
Texas	7,353	47.9	1.52
Utah	707	66.1	2.76
Vermont	242	53.7	3.21
Virginia	2,722	53.9	2.74
Washington	2,323	60.7	2.93
Washington, DC	254	48.8	2.97
West Virginia	744	42.8	2.65
Wisconsin	2,031	50.9	2.86
Wyoming	193	58.2	2.91

Minnesota	1,799	43.0	2.91
Mississippi	1,059	26.3	2.56
Missouri	2,155	42.5	2.95
Montana	360	40.6	2.74
Nebraska	637	37.0	2.93
Nevada	690	41.0	2.94
New Hampshire	474	56.0	3.33
New Jersey	3,091	47.8	1.92
New Mexico	667	35.7	2.78
New York	6,971	39.8	1.31
North Carolina	3,047	35.3	1.99
North Dakota	246	37.7	2.93
Ohio	4,351	40.7	1.78
Oklahoma	1,338	34.3	2.59
Oregon	1,280	50.8	3.07
Pennsylvania	4,720	40.1	1.64
Rhode Island	402	38.8	3.15
South Carolina	1,557	32.0	2.81
South Dakota	289	37.9	2.78
Tennessee	2,220	36.3	2.80
Texas	7,353	38.3	1.48
Utah	707	48.4	2.92
Vermont	242	46.7	3.22
Virginia	2,722	44.3	2.73
Washington, DC	254	39.6	2.90
Washington	2,323	49.7	3.00
West Virginia	744	34.3	2.54
Wisconsin	2,031	40.6	2.81
Wyoming	193	44.1	2.93

Meeting With John Bellman – Program Analyst
Dept. F&G 465-6082
2/19/02
RE: F&G online permitting system

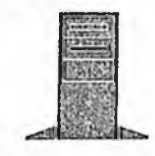
- 1) It took them 6-8 Mo's to set up the permitting system for F&G
- 2) Other agencies don't use it but they use it for a number of things other than the permitting system. There are a number of positive spin-offs associated with the systems development.
- 3) It was developed in-house as a system outside of ITG so it is not as compatible as some would like with any type of centralized system. There are some compatibility issues as far as cross-referencing data. Mostly because of no consistency with other agencies in the creation of fields within the databases. Fore instance some agencies create the date as 2/26/2002 others do it as 26-Feb-02 things like that are the compatibility issues.
- 4) The cost of expanding the system to accommodate the use by more people is quite minimal
- 5) The confidentiality issue is something of concern but is inclined to think that ultimately nothing is 100% and the issue is just to take as many precautions as possible, and minimize opportunities.
- 6) Most of their online customers are out of state.
- 7) Timesheets and things like that are the next thing they are looking at adding on to their existing system.
- 8) The problem is that the accounting system is not set up for the computers to talk to each other. (Another centralization problem)
- 9) Major problem is that many different agencies have created their own systems and there are not many standards out there, which they are required to go by, as far as compatibility goes.
- 10) One of the spin-offs is not necessarily the savings in man-hours because those are reallocated to different tasks, but because of more timely and accurate data. So there is more opportunity to react to situations faster as they may arise.
- 11) There is a report Pacific Tech's Inc. he said he was going to get me a copy (in a couple weeks) that looks at the states long range IT development plan.
- 12) He suggested looking at the DMV PFD and Business Licenses as far as getting more information about the other programs out there already online.

*Internet Inquiry
150-200*

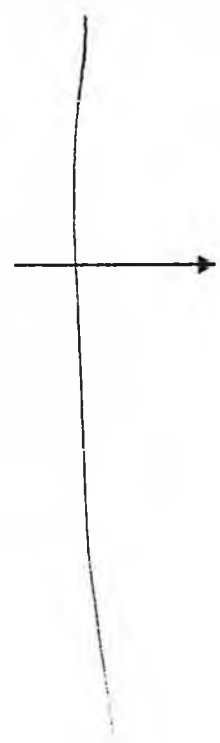
Elect/Server
CS }
A } 7-8
DE } 7-9



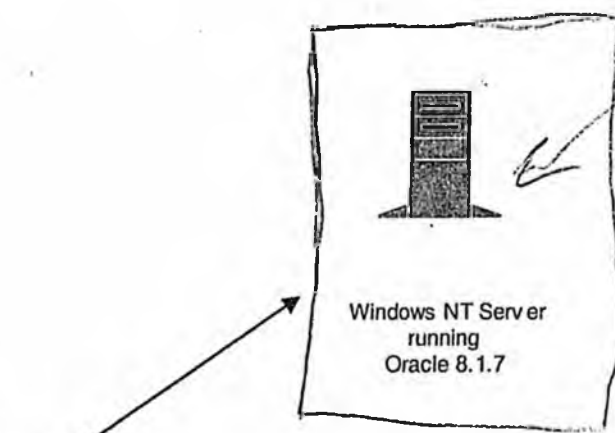
Client Browser



Windows NT Server
running
IIS Webserver
with
SSL
enabled



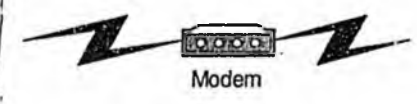
Application Servers
running on
Windows NT
hosting
Centura Application
Server



Windows NT Server
running
Oracle 8.1.7



Windows NT Server
running
Tellan Software's
WebAuthorize



Modem



Payment Tech

Subject: Re: tech council

Date: Thu, 31 Jan 2002 10:05:08 -0900


From: Paula Scavera <Paula_Scavera@gov.state.ak.us>

To: Justin Carro <Justin_Carro@Legis.state.ak.us>

Justin -I have some deadlines today, but would love to talk to you and give you some information. I have attached a TIC update for you. Paula

Justin Carro wrote:

> Hi my name is Justin, I am an intern in Rep. Lancaster's office this
> session. I am doing some research regarding the state and existing
> efforts to put online. I was told that you were the person to talk to
> about the Lt. Governors technology council.
>
> I was looking for information regarding the % of
> permits/forms/requests/applications that are currently online compared
> to the total that the state uses. As well I was wondering what % for
> both internal and external users. Additionally, if there is any other
> information you can share regarding the progress made to date by the
> council it would be greatly appreciated.
>
> Thanks for your time.
> Justin Carro, Intern for Rep. Lancaster

	<u>TICupdate2002.doc</u>	Name: TICupdate2002.doc Type: WINWORD File (application/msword) Encoding: base64 Download Status: Not downloaded with message
---	--------------------------	--

Paula Scavera

**Telecommunications Information Council
Activities Update**

Office of the Lt. Governor-January 2002

44.19.502
II ?

The Telecommunications Information Council (TIC), created by statute in 1988, is charged with developing policies related to telecommunications and information technology. Membership includes the Governor, commissioners of all departments, representatives of the Alaska Court System and the Legislative Affairs Agency, and one member of the public. Two legislators, one from the House and one from the Senate, serve as non-voting members. In 1995 Governor Knowles designated Lt. Governor Ulmer to chair the TIC, which meets quarterly.

TIC Committees

TIC Policy Committee: This is an executive committee of the TIC that sets the agendas for the TIC and its advisory committees and serves as a driving force behind major policy initiatives. Members are Lt. Governor Ulmer, Arnalee McConnell of OMB, Commissioner Duncan of Department of Administration, Deputy Commissioner Smith of Department of Public Safety, Deputy Commissioner Rutherford of Department of Natural Resources and Steve Smith, Chief Technology Officer of the University of Alaska Southeast Director Chase of Department of Military and Veterans Affairs, Staff advisers include the director of the Department of Administration's Information Technology Group and the Lt. Governor's special assistant for telecommunications. The Policy Committee meets approximately twice a month.

TIC Technical Advisory Committee: Each department has designed one of their top information technology specialists to serve on the TAC. The committee is asked to advise the TIC on a variety of technical issues, such as standards, security and evaluations of capital projects proposed by state agencies. The TAC, chaired by Ed Christian Department of Law, meets monthly.

TIC Advisory Committee on Emergency Communications: This group, chaired by Deputy Commissioner Del Smith of Public Safety, meets as needed for departments with an interest in emergency communications (DPS, DMVA, DH&SS, DOA) to make recommendations on issues that cross department lines. The current focus of this group is the migration of land mobile radios to a new federally mandated standard.

TIC Advisory Committee on Geographic Information: This appointed group concentrate on geographic information systems and how the state can work in partnership with federal agencies and the private sector. The full range of geographic information issues will be discussed, including the emergence of high-resolution satellite imagery and its potential uses by state agencies and the University of Alaska. This group's strategic plan is available to the public.

Alaska State Legislature

SESSION ADDRESS:
State Capitol
Juneau, Alaska 99801-1182
Phone (907) 465-2693
Toll Free 800-463-2693
Fax 907-465-3835

INTERIM ADDRESS:
35477 Suite 101-B Spur Hwy
Soldotna, Alaska 99669
Phone 907-260-5236
Fax 907-260-3044



Representative Ken Lancaster
District 8

March 6, 2002

Memorandum

TO: Representative ^{John} John Coghill, Chairman
House State Affairs Committee

FROM: Representative ^{Ken} Ken Lancaster

SUBJECT: Request for Hearing on HB 426, "An Act requiring state agencies to provide for electronic submission of forms and relating to annual reports of state agencies"

I would like to request a hearing for HB 426, "An Act requiring state agencies to provide for electronic submission of forms and relating to annual reports of state agencies". I have included in the packet the Sponsor Statement, Some Correspondence and some back ground material. Additionally I have included a copy of the state statute that allows the use of electronic records and signatures.

I look forward to the legislation being scheduled. If any further information is needed, please let me know.

Thank you.

Bill Information