

**HB**

**517**

**HOUSE COMMITTEE REPORT**

(7)  
Date Referred to Committee: April 12, 2002

FURTHER REFERRALS:

Date of Committee Action: 23 APR 02

The STATE AFFAIRS Committee considered:

HB 517

HOUSE BILL NO. 517

SURPLUS/OBSOLETE STATE PROPERTY

"An Act relating to the disposition of surplus and obsolete state property."

Recommends it be replaced with CS HB 517 (STA) [  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
ADM				✓

<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>Beggy Wilson</i>	Wilson	✓			
<i>Harvey Crawford Jr</i>	CRAWFORD			✓	
<i>James Stewart</i>	STEWART			✓	
<i>Demmitte James</i>	JAMES			✓	
<i>Frank Cook</i>	Cook	✓			
<i>AYES</i>	AYES			✓	
Chair: <i>John Lyght</i>	Lyght	✓			
Chair: <i>John Lyght</i>	Lyght	✓			

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB 517  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
 Title An Act relating to the disposition of surplus and BRU Centralized Administrative Services  
obsolete state property. Component Property Management  
 Sponsor (H) Community and Regional Affairs  
 Requester (H) State Affairs Component No. 61

**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	54.6	54.6	54.6	54.6	54.6	54.6
Travel						
Contractual						
Supplies	2.0	2.0	2.0	2.0	2.0	2.0
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>56.6</b>	<b>56.6</b>	<b>56.6</b>	<b>56.6</b>	<b>56.6</b>	<b>56.6</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	56.6	56.6	56.6	56.6	56.6	56.6
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>56.6</b>	<b>56.6</b>	<b>56.6</b>	<b>56.6</b>	<b>56.6</b>	<b>56.6</b>

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	1	1	1	1	1	1
Part-time	1	1	1	1	1	1
Temporary						

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

The bill will require additional personnel to physically remove permanent identifying markings from state property or equipment. Temporary identifying markings will replace permanent markings in order to assure control and accountability of the surplus or obsolete state property and equipment through disposal.

Removal of permanent identifying markings and their replacement with temporary markings will require one full time position located at the Department's Anchorage property office and one part time position located at the Department's Juneau property office. Both position's costs are calculated at range 7, or approximately \$11.58 per hour.

Prepared by: Chr's Parce, Director Phone (907)465-5687  
 Division General Services Date/Time 4/22/02 3:30p.m.  
 Approved by: Jim Duncan, Commissioner Date 4/22/2002  
 Agency Department of Administration

# Alaska State Legislature



*Interim:*  
119 N. Cushman, Suite 211  
Fairbanks, AK 99701  
(907) 456-5081 - Phone  
(907) 456-8245 - Fax

*Session:*  
State Capitol, Room 102  
Juneau, AK 99801  
(907) 465-3719 - Phone  
(907) 465-3258 - Fax

Representative John Coghill

Date: April 23, 2002

To: Legislative Legal Services

From: Rynnieva Moss, Legislative Aide *R. Moss*

Re: HB 517 Work Draft LS 1694

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Representative Coghill would like a final committee substitute for HB 517, Version "C" with the following amendments:

Page 1, Line 6, after the word "section":

Delete all language through line 8 to the word "shall"

Page 1,

Delete line 9 & 10

HOUSE BILL NO. 517

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Introduced: 4/12/02  
Referred: State Affairs

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the disposition of surplus and obsolete state property."

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

3 \* Section 1. AS 44.68.110 is amended by adding a new subsection to read:

4 (b) Before a state agency transfers obsolete or surplus property to the  
5 Department of Administration for sale, lease, licensing, or other disposition under (a)  
6 of this section ~~or before the Department of Transportation and Public Facilities~~  
7 disposes of equipment from the state equipment fleet under AS 36.30.005(b), the state  
8 agency or the Department of Transportation and Public Facilities shall

9 ~~(1) remove all marks that identify the property or equipment as being~~  
10 ~~property of the state; and~~

11 (2) reconfigure or erase all functions, including electronic functions, of  
12 the property or equipment as necessary to prevent the property or equipment from  
13 producing indicators that the property or equipment, or a product generated by the  
14 property or equipment, is property of the state or is generated by a state agency.

*Zero Out w/amendment* **FISCAL NOTE**

STATE OF ALASKA  
2002 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: HB 517  
( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
Title: An Act relating to the disposition of surplus and BRU: Centralized Administrative Services  
obsolete state property. Component: Property Management  
Sponsor: (H) Community and Regional Affairs  
Requester: (H) State Affairs Component No. 61

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<b>CAPITAL EXPENDITURES</b>						
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Prepared by: Chris Parce, Director Phone (907)465-5687  
Division: General Services Date/Time 4/22/02 3:30p.m.  
Approved by: Jim Duncan, Commissioner Date 4/22/2002  
Agency: Department of Administration



# Alaska State Legislature

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## HOUSE COMMITTEE ON COMMUNITY AND REGIONAL AFFAIRS

---

Representative Carl Morgan  
Co-Chairman  
Committee Aide, Bill Lawrence  
(907) 465-3882

Representative Kevin Meyer  
Co-Chairman  
Committee Aide, Lorali Carter  
(907) 465-6588

### **House Bill 517 Sponsor Statement**

The Federal Telephone Consumer Protection Act requires faxes from fax machines manufactured after December 20, 1992, to identify the date, time, name of business or other entity, or the name of the individual sending the message and the telephone number of the sending machine.

Executive and Judicial branch agencies, as well as the Alaska Legislature must comply with this federal law.

Unfortunately when fax machines owned and operated by the State of Alaska are surplus, the electronic identifier identifying the particular agency or office is most often left on the machine. No State of Alaska agency has a policy to remove the identifier before machines are retired from service.

Recently members of the House Community and Regional Affairs and House Resources committees received a fax from a public advocacy group on a house joint resolution going through the legislative hearing process. Also, most members of the Alaska Legislature received a fax on the use of the Permanent Fund. The identifier on these faxes indicated the advocacy positions were being faxed from the Department of Natural Resources, Division of Mining, Land, and Water. In fact the Division had nothing to do with the faxes being sent and had earlier disposed of the particular fax machine.

This legislation is straightforward and simply requires all marks identifying the property or equipment as state property be removed; and, any identifiers indicating the property or a product generated by the property be removed before the equipment is offered for surplus.

HB 517 is therefore intended to prevent similar situations which inadvertently happened to the Department of Natural Resources; or, any range of possible scenarios that could easily happen to other state agencies or offices. It will help prevent the appearance of state agencies or employees using state time and equipment for inappropriate activities.

**STATE OF ALASKA**  
**DEPARTMENT OF NATURAL RESOURCES**

Division of Mining, Land and Water

Director's Office

Phone: (907) 269-8600

FAX: (907) 269-8904



**Fax Transmittal**

**Date: Thursday, April 11, 2002**

**To: The Honorable Representative or Senator**

**From: Bob Loeffler, Director**  
**bobl@dnr.state.ak.us**

**No. of Pages Including Cover Sheet: 1**  
(Please call 269-8600 if you have a problem receiving any part of this fax.)

**Comments:**

In the last few days, you may have received faxes from AKPIRG concerning use of permanent fund earnings, or about diesel exhaust. Unfortunately, the header on those faxes indicated that they were faxed from the AK DIV of MINING. The header is wrong. They were NOT faxed from our Division.

After a fair amount of research, we determined that our Division surplused a fax machine some time ago. The surplused fax machine was purchased by AKPIRG and it did not change the header.

Once this problem was brought to our attention, we sent an employee over to AKPIRG to help them change the header. I am told it is now changed and the problem will not happen again.

We emphasize to our employees that state equipment is not to be used for private, political purposes. I believe our employees understand and respect this. (And we now clear the header from faxes that we surplus.) I appologize for the confusion.

Bob Loeffler  
Director

**Subject: A True and Cautionary Tale**

**Date:** Sun, 07 Apr 2002 10:34:50 -0800

**From:** Bob Loeffler <bob\_loeffler@dnr.state.ak.us>

**Organization:** Department of Natural Resources

**To:** DNR - Div of ML&W <dmlw-all@dnr.state.ak.us>

**CC:** Johanna M Munson <johanna\_munson@dnr.state.ak.us>,  
Bill Lawrence <Bill\_Lawrence@legis.state.ak.us>,  
Carol B Carroll <carol\_carroll@dnr.state.ak.us>

Folks,

This is a true, somewhat amusing, and cautionary tale about using state equipment for private purposes. It has a happy ending and a moral.

I got a call from a legislative aide who said that all legislators on a certain committee had received a fax from a public interest group, AKPIRG, advocating a certain position on a bill. The header on the fax machine read, "AK Div of Mining" and the phone number on the header was the Mining Fax on the 9th floor. He was concerned that state employees were using state time or equipment for non-state purposes to lobby the legislature. He was very pleasant but clear that this was incorrect and wanted to make sure I followed up.

I told I would follow up. I had almost everyone on the 9th floor interviewed to see if they had done it. The time of the fax (there were various to all members of the committee) showed the faxes went from between 4:45 PM and 5:15 PM. The public isn't there after 5, so I figured it was probably someone on the 9th floor. I know most of you know not to do these things, but I figured either someone forgot, or a new employee maybe didn't know.

To see if the clock on the fax was right, we faxed a something from the 9th floor fax to the 10th floor. Well, the clock was right, but the header on the fax didn't look anything like the header on the fax the legislators received. I told the legislative aide that and together, he and I guessed that the division had surplused a fax machine a few years ago, and whomever picked up it -- maybe AKPIRG -- had not re-programmed the header. So, I called AKPIRG. They HAD purchased a state surplus fax machine. He was pretty sure the fax came from him (he knew the header was wrong on his machine), and asked me how to re-program it. I, of course, had no idea. The individual at AKPIRG was very apologetic and promised to figure it out.

I called the legislative aide who was both relieved and amused.

So, the ending is happy. No one here did it. I knew we all knew better.

And the morale is: Don't use state equipment for private purposes. Don't send out political e-mails (they will inevitably get forwarded). Don't send out political faxes. And when you surplus fax machines, change the header.

That's it. Be especially careful during legislative session and the upcoming campaign (when people are likely to be especially touchy about the rules). But, of course, respect the rules always.

Thanks.  
Bob

THE  
FOLLOWING  
DOCUMENT(S)  
ARE  
POOR  
ORIGINAL  
COPIES

# WE'RE BACK!

# THE 83's

# Anchorage Daily News

50 CENTS  
VOL. LIV, NO. 258

WEDNESDAY, SEPTEMBER 15, 1999 • www.adn.com

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## Voters say loud, clear 'no'



### Alaskans want fund left alone

By LIZ RUSKIN  
Daily News reporter

The proposal to spend Permanent Fund earnings to balance Alaska's state budget went down in a landslide of "no" votes Tuesday.

With 100 percent of the precincts reporting statewide in the nonbinding, advisory election, 83 percent of voters said no.

The heart of the fiscal plan on the ballot was a proposal to use part of the earnings of the Permanent Fund for government, although it also pledged more budget cuts and about \$100 million in unspecified new revenue. The ballot: "After paying annual dividends to residents and inflation-proofing the permanent fund, should a portion of permanent fund investment earnings be used to help balance the state budget?"

Permanent Fund dividends would have been reduced in 2001 to \$1,340 — about \$500 less than they are otherwise projected to be.

Thirty-six percent of registered voters statewide came to the polls, although turnout was as high as 70 percent in some Bush villages. In several small communities — Bettles, Circle, Egegik, Paxson, Podro Bay, Stony River, Tuatutuliak — the vote was unanimous against the plan.

While "no" came in loud and clear from the polls, in urban Alaska as well as the Bush, what voters mean by it was harder to say. An unlikely coalition emerged to work for its defeat — slash-the-government conservatives alongside tax-the-oil-companies environmentalists, among others — and voters interviewed Tuesday offered many reasons for voting no.

Some said they didn't believe the state has really cut the budget, despite the Legislature's claim that it has reduced state spending more than \$200 million over the past three

Mark Choreso, Eddie Burke and Steve Good celebrate. At the Sou... called Alaskans were rejecting the proposal to spend Permanent Fund dough.

Back Page, VOTE

NEWS

### Sharpened knives, sacred cow

↑ Rep. Morgan - Co-Chair, Community & Regional Affairs



ALASKA PUBLIC INTEREST  
PO Box 101093 ♦ Anchorage, Alaska 99510-1093 ♦ Ph: (907) 278-3661 ♦ Fax: (907) 278-9300 ♦ [akpirg@akpirg.org](mailto:akpirg@akpirg.org) [www.akpirg.org](http://www.akpirg.org)

MEMO TO:

- HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
- HOUSE RESOURCES COMMITTEE

FROM: AKPIRG – CONTACT STEVE CLEARY – 278-3661

RE: HJR 47

## DIESEL EXHAUST AFFECTS ALASKA'S HEALTH

HJR 47 - LOW SULFUR DIESEL FUEL REQUIREMENTS – is dangerous legislation even though it has no binding power. It continues an effort to undermine the health benefits of the Clean Air Act, from which Alaska has been exempt. The Alaska Department of Environmental Conservation (ADEC) recently decided to follow the national plan, in urban areas, and switch to ultra-low sulfur diesel along with the rest of the nation. ADEC asked for a year extension to come up with an implementation plan for rural Alaska. Power costs are high in rural Alaska, and those costs need to be taken into account. Yet, due to the serious health affects to any exposure of diesel exhaust, AkPIRG hopes that ADEC will realize that the long term health benefits of diesel far outweigh any short term costs. Therefore, AkPIRG rises in opposition to this legislation – HJR 47.

Attached are three documents:

1. An Abstract for a joint study to assess the health affects of diesel exposure in rural Alaska. "Children in rural Alaska have been found to have a disproportionate burden of respiratory illness."
2. Examples from Canada's Arctic and how they use lower sulfur diesel.
3. Facts on Diesel in Alaska and the health benefits of cleaner diesel.



# Alaska State Legislature

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Committee Aide, Lorali Carter  
(907) 465-6588

To: Representative John Coghill, Chair  
State Affairs Committee

From: Representative Carl Morgan *CM*  
Co-chair, Community and Regional Affairs Committee

Date: April 12, 2002

Subject: House Bill 517

*OK / its scheduled JAC*

I respectfully request that you calendar HB 517 for consideration by the State Affairs Committee at your earliest convenience.

This straightforward bill requires, before state property is offered at state surplus, all marks identifying the property be removed; and, identifiers indicating the property or a product generated by the property be removed before the equipment is offered for surplus.

This proposed legislation was introduced after House Community and Regional Affairs and House Resources Committee members received faxes from a public advocacy group on a house joint resolution. Most members of the Alaska Legislature also received a fax on the use of the Permanent Fund. The electronic identifier on these faxes indicated the advocacy positions were being sent from the Department of Natural Resources. In fact the Department had nothing to do with the faxes, and had earlier disposed of the particular fax machine.

HB 517 will help prevent the appearance of state agencies or employees using state time and equipment for inappropriate activities, and is intended to prevent similar situations as which inadvertently happened to the Department of Natural Resources.

I am attaching a sponsor statement and a copy of HB 517.

I thank you for your prompt consideration of this request. If you have questions on HB 517, please call me at 465-4527.